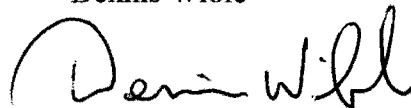


Cavallo Creek Farm: An Equestrian Entrepreneurship

Honors Thesis (HONRS 499)

Megan Doyle

Thesis Advisor:
Dennis Wible

A handwritten signature in black ink, appearing to read "Dennis Wible". The signature is fluid and cursive, with the first name "Dennis" written in a larger, more prominent script than the last name "Wible".

Ball State University
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Abstract

Due to my never ending interest in horses and my future career, I have written a business plan for the company my Dad and I purchased in August 2006. After many years of riding, training, and boarding my horses at other facilities, I now know what I seek in a facility and believe I know what would make a facility successful. This particular business plan is designed for our company, Cavallo Creek Farm, which will officially open for boarding on June 1, 2007. The business plan includes, but is not limited to, an executive summary, business description, research, marketing, projects, and proposals.

Acknowledgements

I would like to give a special thank you to my thesis advisor, Dennis Wible. Mr. Wible offered to be my advisor on this very unique project. As the faculty advisor to the equestrian club and a background in business education, Mr. Wible was just the man for the job. I would like to thank him for his patience and cooperation as I finished my capstone to the honors college.

I would also like to thank my dad, Patrick Doyle. Patrick was the sole investor and financier in this project. He recognized my ambition and dedication to the equine industry and agreed to give me a chance at doing what I love. Patrick has dedicated an enormous amount of time, money, and understanding in helping me to achieve my life dream.

Last, but not least, I would like to thank my best friend and boyfriend, Ryen Wilson. Ryen spent hours proofreading, designing, and organizing this project with me. He was the graphic designer and website designer. Ryen provided an immeasurable amount of knowledge, creativity, and patience in helping me with this thesis.

Executive Summary

This business plan is an overview of an entrepreneurial experience in progress. It is intended to be viewed as both realistic and hypothetical in nature. Cavallo Creek Farm was purchased in September 2006, by Mr. Patrick Doyle. The farm will be run by Miss Megan Doyle upon her graduation from Ball State University in May 2007. This particular business plan covers general entrepreneurial information along with information specific for the Cavallo Creek Farm operation.

Cavallo Creek Farm is located just north of Churubusco, Indiana, in northwest Allen County. The farm is situated on 84 beautiful acres, including 20+ acres of woods with groomed trails for riding. When we purchased the property, there was already a large two-story home, large heated workshop, and 24 stall horse barn with indoor and outdoor arenas. There is also approximately six acres of existing, fenced pastures.

In this plan, I covered a variety of topics relevant to my entrepreneurial experience. The equine industry in northeast Indiana is very competitive. One of the most important sections of this business plan is the section describing the equine market and Cavallo Creek Farm competitors. In order to be successful in this industry, you must make customers feel as though they are involved in a safe, quality program and their needs are being satisfied. The marketing and promotion section discusses advertising tools, techniques, and plans. It discusses marketing from the creation of a logo through the sponsorship of 4-H clubs and horse shows.

This business plan lacks some detail since this is a public document and some information is for private use only. However, many aspects of the business were covered.

There is a section addressing insurance, contracts, facility information, company goals, and company operations, or guidelines. Hopefully this business plan provides some insight into the planning and hard work that goes into starting a business in the equine industry.

Company Overview

For thousands of years, the horse has captured the interest and imagination of people. The horse became the first means of transportation and facilitated our expansion west of the Mississippi River. Today, evidence of the equestrian industry is everywhere. Horses have become a source of entertainment, enjoyment, and competition for individuals in all walks of life. Notably one of the most expensive sports, the strength, beauty, and power of the horse continues to draw people toward this fascinating sport.

“A horse business is the breeding of horses, the racing of horses, the training of horses, and the sale of horses with the intention of making a profit” (Blazer 14). It is difficult in the equine industry for people to separate themselves, both mentally and emotionally, in order to make a profit. A horse business is not loving a horse, however, loving a horse and loving what you do can make the business more successful. Owning a horse with any motive, other than making money, labels your endeavors as a hobby. In general, hobbies usually do not make money, they cost money.

The equine industry is unique. Making money with horses requires you to do something very well and do it better than everyone else. The equestrian business requires a great amount of dedication and hard work. Horses rely entirely on the care of humans to survive and a horse business relies entirely on the opinion of horse owners, not the

opinion of the horses. Through a high-level of motivation, creativity, professionalism, and organization Cavallo Creek Farm seeks to do just that, excel above the others.

Cavallo Creek Farm is a Limited Liability Company currently in its infancy. Located in northeast Indiana, Cavallo Creek Farm is situated on 84 acres of land and woods. Cavallo Creek Farm is designed to be a full service horse boarding facility. It will also offer all the services and amenities associated with the equine industry such as horse training, horseback riding lessons, a summer camp program, horse breeding, and the buying and selling of horses. Currently existing on the farm is a 24 stall horse barn with indoor arena, three existing horse pastures, an outdoor riding arena, a barn for offices and equipment, and a two-story home. Cavallo Creek Farm will offer a variety of riding programs such as Western pleasure, English pleasure, hunter/jumpers, Dressage, eventing, combined training and trail riding. The facility is designed to provide limitless options for the serious competitor and horse enthusiast alike.

Cavallo Creek Farm will open for full service boarding and training beginning June 1, 2007. Owners and management have used the winter and spring months to prepare legal documents, provide the facility with several improvements, and properly equip the facility with machinery and tools necessary to operate a successful facility. Cavallo Creek Farm was purchased and is being financed by a private investor. With the buyouts of several equestrian facilities in northeastern Indiana, Cavallo Creek Farm is looking to capitalize on the business opportunities created by these changes in area competition.

The management team at Cavallo Creek Farm is motivated to provide a top of the line facility with exceptional care and services for both horse and rider. The company

will strive to provide its customers with the highest, professional care possible. Cavallo Creek Farm's short-term objectives include: getting the CavalloCreekFarm.com website designed, developed, and fully functional with all available information before May 1, 2007, developing a comprehensive and effective marketing campaign to be operational through the 2007 calendar year, fully equipping the facility with all materials needed to satisfy the needs and desires of our clients by June 1, 2007, filling the barn to at least 80 percent capacity by August 31, 2007, and purchasing several horses to be used for lessons program, resale, and breeding purposes. Long-term objectives include: building a larger barn in addition to the existing barn which will house a larger indoor arena and 30 additional horses, developing an extensive training program to attract new clients, adding an additional six pastures while subdividing the existing pastures, and maintaining a minimum 80 percent capacity particularly with the addition of 30 new stalls.

Management Team

Owner, Financial Manager – Patrick Doyle

Patrick Doyle, a graduate of Bishop Luers High School, is the single private investor for the Cavallo Creek Farm project. As a successful entrepreneur, Patrick is a crucial member in the success of Cavallo Creek Farm. Patrick understands the hard work, diligence, and perseverance required to make a company successful. Along with his financial support, Patrick is contributing his entrepreneurial knowledge, business resources, and most importantly his time. Patrick is also currently the project and property manager for the farm.

Barn Manager, Head Trainer – Megan Doyle

Megan Doyle is a senior Actuarial Science major, Marketing minor, from Ball State University. She has a cumulative GPA of 3.3 and was a member and officer of the Ball State University Equestrian club for three years. Megan also qualified for the Intercollegiate Horse Show Association regionals three years in a row. She has been riding and training horses for 17 years. Megan has trained and shown six horses of her own over the years and has participated in a variety of riding disciplines. Her current specialty is training hunter/jumpers, and she enjoys working with challenging project horses. Miss Doyle is a highly-motivated, hard-working individual with the ability to meet critical business objectives. Megan will be in charge of all barn and horse activities, including but not limited to: caring for the horses, training horses, giving riding lessons, planning horse shows, and supervising other equine related activities.

The Agreement

Cavallo Creek Farm was purchased from Mr. and Mrs. Kessel in September 2006. Friends of the Doyle family, Mr. and Mrs. Kessel chose to finance the property, with full payment at the end of nine years. Purchased in the amount of \$750,000.00, an interest of four percent will be paid ending July 2010. At this point, the interest rate will increase to six percent for the remainder of the nine years. Payment in the full amount of \$609,919.62 will be due September 2015. A spread sheet of the amortization schedule for the property can be seen in Figure A. It includes a breakdown of the mortgage amount, interest rate, interest paid, principal amount, total payment, balance due on the property, and the date to be executed.

Success in the Equine Industry

Success in any industry requires an endless amount of hard work and dedication. A great deal of business sense seems to be common sense, but since this is a formal business plan, I thought it would be most appropriate to find an expert opinion on how to be successful in the equine business. After much research, the book by Don Blazer seemed to be most helpful and suitable. He broke down the rules to success into five different steps. First of all, "Concentration is the key to economic results, a truth you must recognize. You will not be financially successful while engaging in many facets of the horse industry. Choose one area and stick to it" (Blazer 20). Every business needs to be multi-dimensional in order to meet the needs of a variety of people, but they also need to have specialties. In order to be successful, a business needs to create a brand image and associations. For instance, Cavallo Creek Farm is committed to creating a reputation of professionalism, quality, and consistency in business practices.

Blazer's second step to success is, "Knowledge is money in your bank account, and it will take study, study, and more study to just learn most of what there is to know about a single aspect of the horse industry... Success is easy; failure is hard. Choose easy, and success is yours" (Blazer 21). Every industry, particularly the ever-changing equine business, requires constant research and willingness to learn. As a farm owner, one needs to seek the market which best fits one's talent. There is a niche for every thing. If a person has patience and is good at teaching, then maybe they should work towards developing a large, successful lesson program. On the other hand, if they enjoy studying heritage, bloodlines, and genetics, then that person most definitely needs to follow the breeding route. Everyone needs to find an area in which they are both talented and they

enjoy. Success will come easy if someone enjoys what they do and are good at what they do. Choosing an area outside their knowledge realm and interest will not yield success, it will set them up for failure.

Blazer's advice for success is, "Over-expansion and under-capitalization kill or cripple thousands of businesses each year. Start your horse business on a scale you can handle financially" (Blazer 21). Building large arenas and additional stalls without horses to fill them will only cost you money. In the future, Cavallo Creek Farm would like to build a larger indoor arena and an additional twenty-five to thirty-five stalls. We are waiting until the current stalls are full and we are growing as a company before we undertake such an enormous financial risk. It is our intention to design the arena in the middle of the barn, similar to the existing horse barn. We will then build stalls in the new barn as demand grows. It would be foolish of us to spend several hundred thousand dollars on a building we cannot financially justify.

Like the previous three, Blazer's fourth key to success seems just as obvious, but it is over looked by many. "Since all business involves the buying and selling of a product or service, you must accept the fact that all profits lie outside your office, or home, or ranch. You buy and sell horses at sales, or when meeting strangers, or when attending horse industry functions. You will not sell many horses by simply standing in front of the barn holding a 'horses for sale' sign" (Blazer 22). Simply stated, you must be motivated and act on opportunities. It is the job of the barn manager and trainer, Miss Doyle in this instance, to go out into the horse community and market her horses. At Cavallo Creek Farm, we intend to promote of our services and horses via online advertising, our website, equine event sponsorships, horse sales, and horse shows. In the

equine industry, word of mouth is a very valuable advertising tool. Producing quality horses at an affordable price will make any equine business successful. As in every business, reputation is everything.

Last on the list to success is, “Cut your losses! Never, never hang on trying to change a sure money loser into a money maker. Miracles do happen, but not often enough to make a profit. Once you have even the slightest hint a horse you are involved with is a loser, get rid of him immediately” (Blazer 22). In the market Cavallo Creek Farm is entering, it is seldom that a horse be declared a loser. This suggestion applies more to the horse racing industry. A ‘loser’ horse in the Cavallo Creek Farm market would qualify as a horse which ruins a good reputation. This horse may be lame, sick, have a bad attitude, or be dangerous. These are not the type of horses with which any equine business wants to be associated. It is best to take these horse types to auction to avoid poor publicity for the business. Although it seems cold hearted at times, these horses will give current and potential buyers bad associations with your business.

In order to wrap up his talk on success in the horse business, Blazer provides three more rules to abide by in order to be successful: “Always take a profit. You will make money taking a profit -- even a small one. Lots of small profits add up fast”, “You cannot keep a horse for sentimental reasons. If you want horses to make money for you, choose goldfish as a hobby. If you want a friend, buy a dog”, and lastly, “If you think you can violate one or more of the rules, stop reading, and try to resell this book to a friend who wants to make money with horses” (Blazer 22-23).

Marketing & Promotion

Cavallo Creek Farm attracts individuals who are currently horse owners, those seeking to purchase a horse, individuals interested in learning how to ride a horse, and other horse enthusiasts. This facility will be aimed toward both the casual and competitive rider. In order to cater to a variety of individual needs, Cavallo Creek Farm is offering services for hire above and beyond the basic services. This will allow Cavallo Creek Farm to provide everything from basic full service board to elite services for its higher income clients.

As in the beginning stages of any marketing program, a company must develop the basics which are most commonly associated with a company, the name and a logo. Barn manager, Megan Doyle spent several days looking into a name which would represent the professional and practical nature of the company. There is a creek that weaves throughout the property, so using the word creek only seemed practical. She began looking for words in other languages which meant horse, or something of similar nature. This is how the name 'cavallo' came to be. Cavallo means 'horse', in Italian, and it seemed to have a professional and flowing nature to the name. (dictionary.com)

Logo

Miss Doyle was also the designer and creator of the logo. In a small entrepreneurship like Cavallo Creek Farm, much of the creativity and designing must be done 'in house' to maintain cost controls. Miss Doyle chose the official company colors to be black and red because of their complimentary, strong, professional appearance. This is how the company came to be called Cavallo Creek Farm, with black and red company colors, and

the logo design in Figure B. The Cavallo Creek Farm name, logo, and colors will be used in designing specific business and promotional materials.

Advertising and Promotion

In order to begin the advertising aspect of the marketing efforts, Cavallo Creek Farm listed its number in the yellow pages of the Allen County, Indiana, phonebook under “stables”. Statistically, a business will receive more calls everyday from people who have seen the name in a phonebook than any other place. (McDonald 14) We designed a small $\frac{3}{4}$ inch advertisement to be placed in the phonebook. We used a strong, bold font and border around our advertisement to draw attention amongst the other black type advertisements. This particular advertisement listed our name, basic services, address, and phone number. The advertisement was placed in the new 2007 phonebook. A copy of this advertisement can be seen in Figure C of the appendix.

However, it must be considered, “What good is a phone number without an answering machine?” When someone calls a business and does not have an opportunity to leave a message, the caller often feels quite frustrated. Frustrated callers generally hang up with a negative impression of the business, thus hurting the image trying to be created. In order to avoid losing potential customers due to phone calls the following tips to ensure positive phone results. A business should: have pen and message form secured next to every telephone to take messages and write down information, instruct people who answer the telephone to do so in a professional manner, keep telephones limited to business related calls only, install an answering machine which is reliable and records the date and time of messages left, and record a clear, concise, informative message on the answering machine. (McDonald 8) The use of a message form insures that all necessary

information is obtained from the caller. All of these tips will help to alleviate the risks of losing customers due to telephone negligence.

In the age of technology, a phone number is not enough to attract customers, so in order to maintain pace with technology, Cavallo Creek Farm purchased the URL name CavalloCreekFarm.com. This website outlines the services offered, the facility information, employee information, and other insight into the company. The website will serve a dual purpose in marketing the company and allowing the company to market its products, services, and horses for sale. The website is being designed and maintained by, Mr. Ryen Wilson.

In general, people have a difficult time remembering names, addresses, phone numbers, and other related information. To solve this particular problem, Cavallo Creek Farm sought out the best company to create business cards. As a rule of thumb for any company, business cards are essential. They should be carried by employees, trainers and managers, and distributed freely, thus furthering the company network. Business cards should contain all pertinent information to the company, but at the same time should retain a high level of professionalism. After much research, Cavallo Creek Farm has decided to employ an online company, VistaPrint, to print its business cards. VistaPrint was the most reasonably priced and offered several other types of promotional tools such as magnets, company letterhead, calendars, and note pads. (VistaPrint) VistaPrint provides a proof of each potential order. A copy of this proof can be seen in Figure D.

Although business cards are informational, they contain only necessary information and lack any detailed information about the company. From past experience in brochure design, Megan Doyle knows the most cost effective way to produce company

brochures is to have the brochure designed, purchase a glossy brochure paper, and print the brochure yourself. The majority of the cost in having brochures produced comes from printing them. As with the logo, any designing that can be done 'in house' will greatly lower the cost to the company. In the case of Cavallo Creek Farm, the artistic knowledge and capabilities of Ryen Wilson will be used in designing the company's brochures. A copy of the brochure can be seen in Figure E. Brochures should include: the name of the business, a brief description of the operation, a list of services available, names of the owner, manager, and instructors, location and map, address, phone number, fax number, and email address, the company logo, and the most important, effective aspect of all, pictures. The brochure should be designed using company colors if a color brochure is to be used. (McDonald 10-11)

Another aspect of the advertising will be covered by a large sign placed at the front of the property, beside the driveway. This sign will be a large oval approximately three feet by five feet. It will be designed using the company logo and will contain the phone number and website address for Cavallo Creek Farm. A sign along the road can help get the company's name out into the community and help direct potential clients. This was one of the more difficult advertising tools to design. A sample road sign can be seen in Figure F. Although we have not chosen this as our final design, Cavallo Creek Farm is in the process of getting prices on this particular sign.

One of the long-term goals of Cavallo Creek Farm is to eventually print a newsletter for its boarders and other clients. An annual, quarterly, or even monthly newsletter for lesson students, boarders, other businesses, veterinarians, and even visitors can aid communication and promotional efforts. Newsletters are a way to inform others

of past and upcoming events. Being featured in a newsletter generally provides people with a sense of acceptance and enjoyment. Newsletters can also help people stay up to date and informed about upcoming events, horses for sale, upcoming deadlines, informative articles, new or existing services available, and other farm news. A newsletter is also a cost effective way to promote the company and keep people involved. This can easily be done on inexpensive, common programs such as Microsoft Word, and be printed straight from the company office.

Analysis of the Market

The needs and uses of the horse have changed dramatically over the decades. During the time of the Indians until the early 1920s, the horse was considered a tool, an essential work animal. At the beginning of the 20th century, the horse was at its peak of usefulness and popularity in the United States. However, with the invention of machinery and the lowering costs of equipment, the horse began to phase out. Farmers who had once owned teams of horses could not afford an animal who was not earning its keep. By the 1950s, horses were almost entirely out of a job, only the Amish population and a few small, poor farmers still used horses. However, this powerful, talented animal would not be forgotten. As the economy began to boom in the 1960s and 1970s, the pleasure-horse saw a tremendous come back. The interest in the equestrian sport has grown dramatically through the decades and the equestrian market continues to prosper. (Blazer 14-15)

The primary market for Cavallo Creek Farm will consist of current horse owners, particularly those lacking the space to house their own horse, individuals with the desire to learn how to ride a horse and understand the care involved with a horse, and all other types of horse enthusiasts. Cavallo Creek Farm will cater to those individuals who enjoy

pleasure riding and will join various types of competitive horse associations in order to meet the needs of its more competitive clients.

Cavallo Creek Farm Market

It is to our advantage that we are located so close the boundaries of Dekalb, Whitley, and Noble counties. This accessible location opens us up to customers in a variety of locations, school districts, and cities. The larger the region that can be covered the larger the potential clientele. Allen County, the county in which Cavallo Creek Farm is located, was ranked third in equine population by a 2002 poll by the Indiana Horse Council. Allen County has approximately 5,400 reported equine. Within three miles of the farm, Dekalb County reports an estimated 1,400 equine, Noble County reports approximately 2,100 equine, and Whitley County nearly 1,300 equine. Including Allen County, there are nearly 8,200 reported equines in virtually adjoining counties to the Cavallo Creek Farm property. The location that we have chosen to start this facility has placed our business in a very accessible area to a large number of horse owners and riders. (NASS)

Another statistic which we found relevant to the success of our business was the uses of equines in the state of Indiana. Reports by the Indiana Horse Council show that 44 percent of horses in Indiana are used for trail riding and recreational purposes. This is overwhelming to the second highest use of Indiana horses, showing and competition at 15 percent. The remaining horses in Indiana are used for a variety of purposes: brood mares at 14 percent, work horses at 11 percent, random other uses at nine percent, racehorses at four percent, and stallions at three percent. (NASS) As an equine business, we are focusing on catering to the trail riding, recreational, and showing individuals. Our 20

acres of woods and over four miles of groomed trails will/can provide many hours of trail riding and enjoyment, while our well maintained arenas and jumping courses will/can provide practice and opportunity for competitive individuals.

Although the percentage of horses and their uses is important for targeting the largest possible market, it is important to note where the largest income exists. According to the National Agricultural Statistics Services, the percentage of income in the Indiana equine industry is as follow: horse shows 41 percent of income, trail riding, recreation, and other personal enjoyment are approximately 26 percent of income, horse racing 20 percent, horse boarding at outside locations seven percent, and work horses near six percent. (NASS) Since Cavallo Creek Farm will be focusing on boarding, trail riding, recreational riding, and horse showing, it appears as though we have selected an appropriate market given its location.

Competition

The key to success in any new business is overcoming competition and penetrating the market. Market research online and through personal experience has provided a list of competitors in and around the Allen County, Indiana, region. Some of our local competitors include:

* 1. A Bit Above Farm

Auburn, Indiana (260) 925-3136

2. Country Charm Stables

Fort Wayne, Indiana (260) 748-4440

3. Double B Stables

Columbia City, Indiana (260) 248-4185

- * 4. Eight Jumps Farm
 Huntertown, Indiana (260) 637-5167
- 5. Four Socks Farm
 Fort Wayne, Indiana (260) 627-2623
- 6. Free Wind Farm Inc.
 Fort Wayne, Indiana (260) 625-3380
- * 7. Highway 101 Stables
 Harlan, Indiana (260) 417-4585
- 8. Hunter Hill Stables
 Fort Wayne, Indiana (260) 625-3286
- 9. Orchard Creek Stables
 Fort Wayne, Indiana (260) 492-0405
- 10. Red Cedar Center
 Fort Wayne, Indiana (260) 637-3608
- * 11. Russell's Rainbow Stables
 Fort Wayne, Indiana (260) 637-227
- 12. Sundance Stables
 Auburn, Indiana (260) 337-5701

We have also provided a brief overview of four of our main competitors in and around the Allen County area:

A Bit Above Stables

A Bit Above Stables offers one of the largest boarding facilities in northeast Indiana, based on total capacity. It is located approximately ten miles north of Fort

Wayne, Indiana, and about five miles south of Auburn, Indiana. It offers more than 48 stalls and accepts all discipline of riding. However, the owner/‘in-house’ trainer specializes in barrel racing and pole bending. A Bit Above Stables does allow contracted trainers to come in and use the facility for a fee. The facility includes an 80 feet by 200 feet indoor arena, which is more than adequate to accommodate lessons and training rides. There are two outdoor arenas, a fenced arena and one large sand area with no fence. A Bit Above is located on 60 acres including approximately six acres of pasture. Turnout includes medium size groups of six to eight horses per pasture. There is currently limited trail riding available on the property. A Bit Above offers one, full-care board package a total \$330.00 per month.

Eight Jumps Farm

Eight Jumps Farm is located approximately six miles north of Fort Wayne, Indiana. It currently has approximately 33 stalls, a 60 feet by 120 feet indoor arena, large outdoor show arena, small outdoor schooling arena. Eight Jumps Farm currently only offers lessons and training in the English hunter-jumper discipline. The stable is located on approximately fifteen acres. Eight Jumps Farm offers large herd turnout for horses with limited grazing potential in their pastures. Full-care boarding at Eight Jumps Farm is approximately \$400.00 per month.

Highway 101 Stables

Highway 101 Stables is located about 10 miles east of Fort Wayne near Harlan, Indiana. It currently has 24 stalls, a 70 feet by 100 feet indoor arena, and a 70 feet by 130 feet outdoor arena. Highway 101 Stables does not specialize in any particular discipline, and does not offer lessons or training in any discipline. The barn is located on roughly 50

acres, including five acres of pasture. Its turnout is also an all-herd turnout with all horses being in the same field. There are three small paddocks located next to the pasture for winter turn out. Highway 101 Stables does not require any form of vaccinations or worming for the horses. Boarding for this particular barn is \$250.00 per month for full-care.

Russell's Rainbow Stables

Russell's Rainbow Stables is also located about 4 miles north of Fort Wayne in Huntertown, Indiana. It offers a smaller indoor arena, moderate outdoor arena, and an outdoor Dressage arena. Russell's Rainbow Stables welcomes all disciplines and currently offers lessons in a variety of disciplines. The turn out at Russell's Rainbow Stables is also an all-herd turn out. Board for this type of turn out and full-care is \$375.00 per month. However, if you would like your horse to be turned out in a smaller pasture, it will cost an additional \$75.00 per month. Russell's Rainbow Stables offers some trail riding for their boarders.

Looking at the competitors near Cavallo Creek Farm gives the management an idea of what they need to do in order to be competitive in their region. In order to accommodate a variety of customers, Cavallo Creek Farm plans to offer a variety of services from various board packages to guided trail rides. A price list of these various services can be found in Figure G. In order to maintain a level of professionalism and organization, Cavallo Creek Farm will be implementing an invoicing system. At the end of each month, clients will receive an invoice for the amount due for the next month. These invoices will be dropped in individual mailboxes in the tack room where they can easily pick them up. A copy of these invoices will also be kept in an accounts payable

folder, accounts receivable folder, and individual client folders for organized bookkeeping. A sample invoice for Cavallo Creek Farm can be seen in Figure H.

The Facility

Cavallo Creek Farm is situated on a beautiful 84 acres in Churubusco, Indiana. The farm is located on Indiana State Road 205, approximately five miles northeast of Churubusco. It is located in the northwest corner of Allen County and is three miles from Dekalb and Whitley Counties and less than a half mile from Noble County. Cavallo Creek Farm is easily accessed from Interstate-69 and Indiana State Roads: 30, 3, and 33. Easy access to several large highways allows travel to large cities such as Fort Wayne, Columbia City, and Auburn, Indiana, in just minutes.

Included in these 84 acres are more than twenty acres of woods providing well-maintained, groomed trails for riding. There is a two-story home, on a full-finished basement, sixty feet by sixty feet workshop building. One third of this building is heated with restroom facilities and will house the office for Cavallo Creek Farm. The other two-thirds of the building are used to store equipment such as tractors, hay farming equipment, and horse trailers. However, although we are using the workshop for Cavallo Creek Farm, the majority of business operations will take place in the horse barn.

The main horse barn is 90 feet by 120 feet in size. This main barn currently consists of: 24 existing stalls, a heated tack room, heated room which overlooks the indoor arena, heated restroom, sawdust storage area, large spacious hay lofts, and a workshop area, which we will convert to two heated wash stalls and a laundry room. In the center of the two aisles of stalls is a 60 feet by 90 feet indoor arena. At the front of the property, there is a large three+ acre pasture surrounded by white vinyl fencing. Along

the north and east sides of the main barn there are two large pastures, totaling approximately three acres in size. These pastures are surrounded by fencing comprised of wood posts and five alternating, vinyl coated and plain wires. This fencing is currently connected to an electric charger to ensure greater safety of the pastured horses.

Fencing

It is our intention at Cavallo Creek Farm to increase our pasture acreage from roughly six acres to just over ten acres in the next couple years. A layout of our existing pasture, phase one of our fencing plans, and phase two of our fencing plans can be see in Figure I of the appendix. For our future fencing, we intend to continue the wood posts with alternating wires. "Smooth wire, or twisted wire without barbs, can work as a boundary fencing if there isn't much pressure on the fences... smooth wire is safe and fairly economical. It is also strong and requires little maintenance" (Thomas 83-84). These are just a few of the reasons Cavallo Creek Farm has chosen to stay with the same fencing.

Goals

"A business venture will always begin with ideas" (Bacon 51). Every business should have goals. It is typical to develop one-, five-, and ten-year goals. Establishing goals for a business helps to maintain momentum, motivation, and inspiration. Having something to work for everyday and save for can help keep a business structured and on the right path. Cavallo Creek Farm has several goals for different periods of its growth. Although the goal of every new business owner is success, this must be broken down into more specific goals in order to achieve that desired success. I have included just a few simple goals Cavallo Creek Farm has for its future. There are many additional goals which could

be added to this plan, but many are personal and financial. They are generally a private nature, not to be placed in a thesis for the public. A business often establishes goals based on financial security and success. Cavallo Creek Farm is no different; we too will gage our goals and future planning on our level of success. Immediate success will allow for goals to move from five-year to one-year or even ten-year to five-year.

One-Year Goals

One-year goals are generally small, realistic goals which can be reached, barring any serious events. Day to day activities influence the outcome of these goals which change regularly. In order to avoid frustration, one needs to set goals which are attainable. Achieving a goal sparks a new motivation and enhances company performance. In the next year, Cavallo Creek Farm hopes to: reach at least eighty percent stall capacity with boarders and their own horses, be giving nine hours of lessons a week with a program of more than twenty-five clients, have fencing phase one completed, have a preliminary jumping course of eight obstacles, and have the heated wash stalls and laundry room complete. All of these goals are achieved in different ways, but one thing they all have in common is dedication. Miss Doyle must be dedicated to organizing, pricing, and working on all of these projects no matter how difficult or boring the work. It will require focus and time management, but success can be achieved.

Five-Year Goals

Five-year goals are generally a little bit bigger projects, but are still realistic and attainable. These goals are less influenced by daily actions and activities because of the amount of time involved in reaching these goals. Achieving long-term goals requires a

great deal of focus in order to stay on track for success. In the next five years, Cavallo Creek Farm hopes to: have finished phase two of the fencing project, have a minimum of eight acres of pasture, have started the new indoor arena and stall project, be giving twelve hours of lessons a week with a program of more than forty clients, and be at a minimum of ninety percent stall capacity. All of these goals are achieved in different ways, but one thing they all have in common is focus. Miss Doyle must be dedicated to motivating herself and her staff, planning financially, and organizing all of these various projects. Five-year goals often feel less attainable because the tangible nature of five-years. They are generally more difficult than one-year goals, but easier than ten-year goals.

Ten-Year Goals

Ten-year goals are generally much larger and more extensive projects, but it is necessary to remain realistic. These goals are less influenced by actions and activities than are one-year and five-year goals. Achieving ten-year goals requires an even greater amount of focus and motivation. In the next ten years, Cavallo Creek Farm hopes to: have a minimum of ten acres of pasture, have the new indoor arena finished, and have a minimum of thirty boarders with no less than forty stalls occupied. All of these goals are achieved in different ways, but one thing they all have in common is complete commitment. Miss Doyle must have it in her mind that she wants to achieve this level of success. In order to achieve this success, Miss Doyle will need the help of a quality staff, careful planning, and financial expertise. Although some luck is required in achieving goals, the majority of success is achieved through hard-work, discipline, and knowledge. Ten-year goals often feel the least attainable because most individuals cannot imagine

what they will be doing in ten years. These goals are often the most difficult to attain, but are generally the most rewarding and are indications of success.

Disciplines

Unlike several competitors in, and around, the Fort Wayne, Indiana, area, Cavallo Creek Farm will offer riding for every discipline. Head trainer, Megan Doyle, specializes in hunter-jumper horses. She has been riding, training, and giving lessons in the hunter-jumper discipline for the last fifteen years. Miss Doyle also has a basic background in Dressage and western. She considers herself highly qualified to teach and train hunter-jumper horses/riders. Miss Doyle is also considered capable of giving basic Dressage and western lessons. Cavallo Creek Farm is currently looking for someone with extensive knowledge in the western arena to train the more advanced, show-level horses and riders.

Western

In order to support the western discipline, nothing more is needed than a well-maintained, sand arena. Western is completely based on various types of ground work and arena work. It requires no markers, obstacles, or other “props” in order to school, show, or train western horses and riders.

Dressage

In order to support the Dressage discipline, not much is required above and beyond a well-maintained, sand arena. Dressage riders use letters lining the arena as their markers. These markers can be purchased from many tack catalogs or online. Markers can also be created by stenciling large letters on rectangular pieces of wood and hanging them around the perimeter of the arena. Cavallo Creek Farm plans to construct dressage letters in just this way, while we build jumps.

Hunter-Jumpers

The hunter-jumper discipline is very different from other disciplines and requires more than just a large area to ride, it requires jumping obstacles. A set of these obstacles, or jumps, are called a course. Creating a quality course with a variety of jumps will give Cavallo Creek Farm a competitive edge over several competitors in the area. “Classics may be quite colorful and adorned with banks of flowers surrounding the wings. Modern hunter courses are far more sophisticated than a few post and rail fences in a field” (Carruthers 96). Many facilities offer a couple poles to jump over, but do not supply riders with proper instruction and quality jumps which could be seen at horseshows. After many years of experience, and many jumps jumped, Miss Doyle decided it would be much more cost efficient to design and build her own course than to purchase one out of a catalog. Miss Doyle designed all of her jumps on paper and with the help of Ryen Wilson was able to create them on a three-dimensional drawing program. Diagrams of these sample jumps can be seen in Figures J.1 through J.10. Miss Doyle plans to use the knowledge and tools of her father to build, paint, and construct this jump course.

Insurance

Insurance is an integral part to any business planning. In general, insurance is a necessary expense. Without the protection and security of insurance, losses and liabilities could destroy an entire business. In the equine industry, there are various types of insurance which must be considered, such as employee health insurance, horse insurance, property insurance, and liability insurance. Given the current structure of Cavallo Creek Farm, it will not be offering health insurance to its employees.

Horse Insurance

There are two sub-categories to insurance for horses: mortality insurance and major medical insurance. In the low-end market Cavallo Creek Farm is involved in, it is uncommon to insure a horse for either reason. An owner generally insures a horse for mortality if the owner can not afford to replace the horse if something happened to it. For example, an expensive competing grand prix horse or a renowned, high-producing stallion might be insured for mortality.

Insurance is an expensive and difficult business decision no matter what the industry. When insuring a horse for major medical expenses, be sure to ask specifically what causes of injury or death are included. The equine insurance industry is very expensive and often offers only limited coverage. If you would like to insure your horses, there are several ways to limit your costs and risk involved, "Shop around for the best premium. Do not, however, sacrifice quality service, such as prompt claims payment, for a lower premium. If your premium is sizable, find out if you can arrange for a payment plan with a minimal or no service charge. If you need to insure a large number of horses, inquire about getting a discount for insuring them all through the same company. Ask other horse owners which agents and insurance companies they have found that provide the most competitive rates and best claims services" (McDonald 25). These tips are fairly straight forward and can be applied when insuring any sort of business.

A third type of horse insurance covers a horse in the event of loss of use. For instance, if Cavallo Creek Farm insured a valuable jumper and the horse sustained a permanent injury, the insurer would both pay a percentage to Cavallo Creek Farm and allow them to maintain possession or would pay a larger percentage and take possession

of the horse. The terms of each contract vary greatly and it is always a good idea to read them thoroughly. However, in order to insure for loss of use, it is almost certain that the horse must also be insured for mortality and major medical expenses.

At this point in the company, Cavallo Creek Farm has decided not to insure horses for major medical or mortality. The majority of the horses Cavallo Creek Farm owns are at the lower end of the price spectrum and can be replaced. In this specific case, Cavallo Creek Farm has decided that it is a better business decision to take a loss or two rather than pay premiums to cover particular horses.

Property Insurance

Property insurance is essential to any business, particularly those whose business relies on the existence of a particular facility. Much like horse insurance, the details of contracts and policies must be noted carefully. It is essential that one ensure all equipment and belongings are insured on and off the property. In order to insure all desired equipment and gear, it is suggested that one make a thorough list. This list should document serial, or identification, numbers, if possible, a description of the product, and its estimated value. Some insurance companies even suggest photographing or videotaping insured items to support documented records.

Liability Insurance

One of the most essential and necessary types of insurance for a business is liability insurance. In the dangerous sport of horseback riding and handling horses, liability insurance is even more important. A facility which boards, breeds, races, trains, gives riding instruction, or conducts any kind of business related to equine activity needs to have a commercial equine liability policy. This particular policy “pays the damages for

liability imposed upon you or your business by the law. It also pays the cost of defending you when a claim is made against your policy” (Allen Financial Insurance Group). There are laws designed to assist in equine liability. These laws may help provide a defense in the event of an incident, but like any law, cannot prevent a lawsuit. Without adequate liability coverage, damages and defense costs will have to be paid out of pocket. Often times, these expenses are high enough for a business to suffer financial hardship or even bankruptcy.

Through a liability policy, insurance companies can help an equine facility, such as Cavallo Creek Farm, install liability policies designed to protect the business if sued by a third party. A third party member is generally defined as someone who is not a family member or company employee. Liability policies generally cover defense costs and pay claims, up to the policy limits, for which the company is legally liable.

Included in liability insurance is workman’s compensation insurance. In order to guarantee coverage, it is wise to make sure that any independent contractors that work for the company provide proof of their own liability insurance. It is also common to ask an independent contractor to add your company’s name as an additional insured on their policy. In the equine industry, this is especially important when considering an independent trainer or instructor working at the facility.

Cavallo Creek Farm Insurance

While the horse barn is sitting empty and there is nobody working out at the farm, Cavallo Creek Farm is carrying a basic farm liability insurance package. This insurance does not include any workman’s’ compensation. It is specifically in place to cover the existing buildings, equipment, horses owned by Cavallo Creek Farm, and anything else

owned by Cavallo Creek Farm. The current insurance payment is \$3,174.00 per year. This amount will increase when the farm enters full working order on June 1, 2007.

Contracts

Legal contracts are an essential part to any business, equestrian or not. Contracts created by attorneys can protect the business in the event of conflict or even worse lawsuits. The equestrian business requires written contracts for horse boarding, leasing a horse, riding lessons, and the buying and selling of horses. (McDonald 40)

With the help of attorney Terry Stauffer, Cavallo Creek Farm developed the following contracts: Purchase and Trial Agreement (Figure K), Property Rules, Regulations, and Guidelines (Figure L), Boarding Contract (Figure M), and a Release, Express Assumption of Risk and Hold Harmless Agreement (Figure N). In order to keep the contracts clear and to ensure all contracts are signed at appropriate times, attorney Terry Stauffer created a 'Forms to Sign Checklist'. This checklist lists the appropriate forms to sign when: boarding a horse, taking riding lessons, renting an arena, riding on the trails with their own horse, riding on the trails with a Cavallo Creek Farm horse, and taking a horse on a multiple day trial with intent to purchase. A copy of this checklist can be seen in Figure O, at the end of all the contracts. Although it requires extra paper work, contracts are worth the effort in the event of injury or death to an individual or horse, conflict, or lawsuit.

Horse Health Care

New Arrivals

Veterinary expenses are one of the most troublesome and expensive costs an equine facility, such as Cavallo Creek Farm, faces. A barn manager who is negligent

about the most common and especially serious ailments affecting horses, such as colic and founder, can cost the farm thousands of dollars or even the life of a horse. The best way to prevent these serious and costly mistakes is to practice quality preventative measures.

One easy, but often overlooked, preventative measure is the quarantining of all incoming horses. A horse that has traveled long distances will often arrive worn and stressed. Horses arriving in these conditions are more susceptible to infectious diseases, colds, and other ailments which are not welcome in the barn. Often you will not be aware of the conditions to which the new horse has been exposed. Horses coming from large herds, auctions, or even horse shows may have been exposed to a wide variety of disease and although not showing immediate signs, they could still be carriers. Failure to quarantine an incoming animal could result in a severe outbreak of respiratory diseases or salmonellosis. (McDonald 107)

Ideally, the new arrivals will be kept in a separate building specifically designed for quarantines; however, that is not realistic for most facilities including Cavallo Creek Farm. In order to compensate for the lack of another building, new arrivals will be kept at least a stall away from the other horses. Staff will pay close attention to the equipment, feeders, and buckets used for the new arrival. All new arrivals will use disinfected feed pans and water buckets to insure the health of both new and existing horses.

First Aid Kit

An assembled and well-stocked first-aid kit is necessary for any business dealing with people and/or animals. A first-aid kit should include supplies which can be used at home or for traveling. Although primarily stocked for the equine clients, first-aid kits

should carry basic necessities for their human companions. A well-stocked first-aid kit should include the following, at minimum: stethoscope, Iodine solution diluted, hydrogen peroxide, Neosporin, Nolvasan, saline, sterile gauze sponges, sterile gauze roll, self-adhesive tape, blunt-tipped bandage scissors, topical eye ointment, rectal thermometer, injectable sedative, pain killer, electrolytes, cold packs, a knife, latex gloves, lubricant jelly, tweezers, duct tape, and a flashlight. (InfoHorse) Although this sounds excessive, the time between the actual injury and when the veterinarian arrives is critical. A stressed, injured horse can often suffer more damage than necessary, much of which can be prevented by preparation and properly administered care.

Equine first-aid kits can be purchased as an entire lot or by each individual piece. Although purchasing each piece individually is probably more cost efficient, one runs the risk of forgetting a crucial item or wasting a lot of time looking for hard to find items. A first aid kit with all the necessities, plus more, for both humans and equines can be purchased for \$795.00 at EquiMedic's website. This sounds expensive, but when it comes down to an injury, severe or not, one can only be thankful to be fully equipped and prepared. Cavallo Creek Farm has not yet decided how it is going to acquire its first aid kit. The large first-aid kit offered by EquiMedic provides items which will last for years to come. A first-aid kit is a valuable investment. The EquiMedic website also offers items individually and refill items. They allow you to build a custom first-aid kit to best suit your equestrian needs. (EquiMedic)

Vaccinations, Worming, and Coggins

Although horses are monitored as they come into the facility, diseases, viruses, and other unwanted illnesses can arise in the existing herd. In order to take precautionary

measures, all horses at Cavallo Creek Farm will be required to have routine health care. The required healthcare is outlined in section four of the Cavallo Creek Farm boarding contract, Figure G. Worming of horses boarded at Cavallo Creek Farm will be required between the first and fifteenth of each January, April, July, and October. Proof of deworming must be on record with Cavallo Creek Farm by the sixteenth day of each month. A description of proof is provided in the boarding contract for horse owners.

Vaccinations, or immunizations, are critical in maintaining a healthy status amongst a large group of horses. Horses boarded at, and owned by, Cavallo Creek Farms are required to have vaccinations for eastern and western encephalomyelitis, tetanus, influenza, rhinopneumonitis, rabies, and the West Nile Virus, every spring between March 15 and April 30. Vaccinations during this period help manage and control outbreaks during the warm spring and summer months. Maintenance vaccinations, or boosters, for influenza, rhinopneumonitis, and the West Nile Virus are required to be done between September 15 and October 31 each fall. Cavallo Creek Farm requires vaccinations to be performed by a certified veterinarian to ensure proper administration. Details on how to record these immunizations and what is considered valid proof are outlined in the Cavallo Creek Farm boarding contract.

Although not state mandated in Indiana, Cavallo Creek Farm requires that a current and negative Coggins test be on record for each horse at the farm. A Coggins test, examines a blood sample taken from a horse which could be a carrier of Equine Infectious Anemia. Equine Infectious Anemia, often referred to as EIA, is a viral disease contracted by horses for which there is no vaccine and currently no cure. Although most horses succumb rapidly to EIA, a small percentage of infected horses appear to recover,

but continue to be carriers. A horse which survives EIA will continue to harbor the virus and may become ill if they are stressed or their immune system is weakened. "It is because of these healthy appearing carriers that we test horses. It insures that we do not put their pasture mates at risk" (Oglesby).

All of these requirements outlined in the boarding contract are simply preventative measures to keep a happy, healthy facility. If the owner of a boarded horse fails to provide proof of deworming, immunizations, or a negative Coggins test, Cavallo Creek Farm reserves the right to use a veterinarian of its choice to perform the necessary care, at the owners' expense. In order to maintain the records for all the horses at Cavallo Creek Farm, a spreadsheet for each individual horse will be on record in the farm office. Each horse will have its own file in a cabinet where receipts, proof of records, and other documents will be kept. Attached to the front of each folder will be a record sheet for easy reference and documentation. A sample record sheet can be seen in Figure P.

As stated above, the highest risk horses are new arrivals. Cavallo Creek Farm is designed to allow individuals to trailer their horses to the property for trail riding, use of the arenas, and lessons. As further precaution, all horses entering the Cavallo Creek Farm property must supply the same records and information for Coggins, immunizations, and worming as the horses boarded at Cavallo Creek Farm. Prior to being unloaded from the horse trailer, individuals must provide proof of all health records in order to be welcome at Cavallo Creek Farm.

Cavallo Creek Farm

This will continue to be a never-ending, growing project for myself and my family. There are many things which were not addressed in this business plan many

because they are personal matters and others because there simply is not enough paper to write it all down. Many of these things will actually come true, such as fencing phase one, but maybe trends in the market will change and people will not turn their horses outside, so there goes the plans for fencing phase two. We anticipate Cavallo Creek Farm to be a success, professional, organized business with a long life ahead.

Figure A**Cavallo Creek Farm Agreement****Amortization Schedule**

	<u>Mtg Amount</u>	<u>Rate</u>	<u>Interest</u>	<u>Principal</u>	<u>Payment</u>	<u>Balance</u>
Sep-06	\$ 750,000.00	4.00%	\$2,500.00	\$1,080.61	\$3,580.61	\$748,919.39
Oct-06	\$748,919.39	4.00%	\$2,496.40	\$1,084.21	\$3,580.61	\$747,835.18
Nov-06	\$747,835.18	4.00%	\$2,492.78	\$1,087.83	\$3,580.61	\$746,747.35
Dec-06	\$746,747.35	4.00%	\$2,489.16	\$1,091.45	\$3,580.61	\$745,655.90
Jan-07	\$745,655.90	4.00%	\$2,485.52	\$1,095.09	\$3,580.61	\$744,560.81
Feb-07	\$744,560.81	4.00%	\$2,481.87	\$1,098.74	\$3,580.61	\$743,462.07
Mar-07	\$743,462.07	4.00%	\$2,478.21	\$1,102.40	\$3,580.61	\$742,359.67
Apr-07	\$742,359.67	4.00%	\$2,474.53	\$1,106.08	\$3,580.61	\$741,253.59
May-07	\$741,253.59	4.00%	\$2,470.85	\$1,109.76	\$3,580.61	\$740,143.82
Jun-07	\$740,143.82	4.00%	\$2,467.15	\$1,113.46	\$3,580.61	\$739,030.36
Jul-07	\$739,030.36	4.00%	\$2,463.43	\$1,117.18	\$3,580.61	\$737,913.18
Aug-07	\$737,913.18	4.00%	\$2,459.71	\$1,120.90	\$3,580.61	\$736,792.28
Sep-07	\$736,792.28	4.00%	\$2,455.97	\$1,124.64	\$3,580.61	\$735,667.65
Oct-07	\$735,667.65	4.00%	\$2,452.23	\$1,128.38	\$3,580.61	\$734,539.26
Nov-07	\$734,539.26	4.00%	\$2,448.46	\$1,132.15	\$3,580.61	\$733,407.12
Dec-07	\$733,407.12	4.00%	\$2,444.69	\$1,135.92	\$3,580.61	\$732,271.20
Jan-07	\$732,271.20	4.00%	\$2,440.90	\$1,139.71	\$3,580.61	\$731,131.49
Feb-07	\$731,131.49	4.00%	\$2,437.10	\$1,143.51	\$3,580.61	\$729,987.99
Mar-07	\$729,987.99	4.00%	\$2,433.29	\$1,147.32	\$3,580.61	\$728,840.67
Apr-07	\$728,840.67	4.00%	\$2,429.47	\$1,151.14	\$3,580.61	\$727,689.53
May-07	\$727,689.53	4.00%	\$2,425.63	\$1,154.98	\$3,580.61	\$726,534.55
Jun-07	\$726,534.55	4.00%	\$2,421.78	\$1,158.83	\$3,580.61	\$725,375.72
Jul-07	\$725,375.72	4.00%	\$2,417.92	\$1,162.69	\$3,580.61	\$724,213.03
Aug-07	\$724,213.03	4.00%	\$2,414.04	\$1,166.57	\$3,580.61	\$723,046.47
Sep-07	\$723,046.47	4.00%	\$2,410.15	\$1,170.46	\$3,580.61	\$721,876.01
Oct-07	\$721,876.01	4.00%	\$2,406.25	\$1,174.36	\$3,580.61	\$720,701.65
Nov-07	\$720,701.65	4.00%	\$2,402.34	\$1,178.27	\$3,580.61	\$719,523.38
Dec-07	\$719,523.38	4.00%	\$2,398.41	\$1,182.20	\$3,580.61	\$718,341.18
Jan-08	\$718,341.18	4.00%	\$2,394.47	\$1,186.14	\$3,580.61	\$717,155.05
Feb-08	\$717,155.05	4.00%	\$2,390.52	\$1,190.09	\$3,580.61	\$715,964.95
Mar-08	\$715,964.95	4.00%	\$2,386.55	\$1,194.06	\$3,580.61	\$714,770.89
Apr-08	\$714,770.89	4.00%	\$2,382.57	\$1,198.04	\$3,580.61	\$713,572.85
May-08	\$713,572.85	4.00%	\$2,378.58	\$1,202.03	\$3,580.61	\$712,370.82
Jun-08	\$712,370.82	4.00%	\$2,374.57	\$1,206.04	\$3,580.61	\$711,164.78
Jul-08	\$711,164.78	4.00%	\$2,370.55	\$1,210.06	\$3,580.61	\$709,954.72
Aug-08	\$709,954.72	4.00%	\$2,366.52	\$1,214.09	\$3,580.61	\$708,740.62
Sep-08	\$708,740.62	4.00%	\$2,362.47	\$1,218.14	\$3,580.61	\$707,522.48
Oct-08	\$707,522.48	4.00%	\$2,358.41	\$1,222.20	\$3,580.61	\$706,300.28
Nov-08	\$706,300.28	4.00%	\$2,354.33	\$1,226.28	\$3,580.61	\$705,074.00
Dec-08	\$705,074.00	4.00%	\$2,350.25	\$1,230.36	\$3,580.61	\$703,843.64
Jan-09	\$703,843.64	4.00%	\$2,346.15	\$1,234.46	\$3,580.61	\$702,609.18
Feb-09	\$702,609.18	4.00%	\$2,342.03	\$1,238.58	\$3,580.61	\$701,370.60
Mar-09	\$701,370.60	4.00%	\$2,337.90	\$1,242.71	\$3,580.61	\$700,127.89
Apr-09	\$700,127.89	4.00%	\$2,333.76	\$1,246.85	\$3,580.61	\$698,881.04
May-09	\$698,881.04	4.00%	\$2,329.60	\$1,251.01	\$3,580.61	\$697,630.03

Jun-09	\$697,630.03	4.00%	\$2,325.43	\$1,255.18	\$3,580.61	\$696,374.85
Jul-09	\$696,374.85	4.00%	\$2,321.25	\$1,259.36	\$3,580.61	\$695,115.49
Aug-09	\$695,115.49	4.00%	\$2,317.05	\$1,263.56	\$3,580.61	\$693,851.94
Sep-09	\$693,851.94	4.00%	\$2,312.84	\$1,267.77	\$3,580.61	\$692,584.17
Oct-09	\$692,584.17	4.00%	\$2,308.61	\$1,272.00	\$3,580.61	\$691,312.17
Nov-09	\$691,312.17	4.00%	\$2,304.37	\$1,276.24	\$3,580.61	\$690,035.93
Dec-09	\$690,035.93	4.00%	\$2,300.12	\$1,280.49	\$3,580.61	\$688,755.44
Jan-10	\$688,755.44	4.00%	\$2,295.85	\$1,284.76	\$3,580.61	\$687,470.68
Feb-10	\$687,470.68	4.00%	\$2,291.57	\$1,289.04	\$3,580.61	\$686,181.64
Mar-10	\$686,181.64	4.00%	\$2,287.27	\$1,293.34	\$3,580.61	\$684,888.31
Apr-10	\$684,888.31	4.00%	\$2,282.96	\$1,297.65	\$3,580.61	\$683,590.66
May-10	\$683,590.66	4.00%	\$2,278.64	\$1,301.97	\$3,580.61	\$682,288.68
Jun-10	\$682,288.68	4.00%	\$2,274.30	\$1,306.31	\$3,580.61	\$680,982.37
Jul-10	\$680,982.37	4.00%	\$2,269.94	\$1,310.67	\$3,580.61	\$679,671.70
Aug-10	\$679,671.70	6.00%	\$3,398.36	\$980.78	\$4,379.14	\$678,690.92
Sep-10	\$678,690.92	6.00%	\$3,393.45	\$985.69	\$4,379.14	\$677,705.23
Oct-10	\$677,705.23	6.00%	\$3,388.53	\$990.61	\$4,379.14	\$676,714.62
Nov-10	\$676,714.62	6.00%	\$3,383.57	\$995.57	\$4,379.14	\$675,719.05
Dec-10	\$675,719.05	6.00%	\$3,378.60	\$1,000.54	\$4,379.14	\$674,718.51
Jan-11	\$674,718.51	6.00%	\$3,373.59	\$1,005.55	\$4,379.14	\$673,712.96
Feb-11	\$673,712.96	6.00%	\$3,368.56	\$1,010.58	\$4,379.14	\$672,702.38
Mar-11	\$672,702.38	6.00%	\$3,363.51	\$1,015.63	\$4,379.14	\$671,686.76
Apr-11	\$671,686.76	6.00%	\$3,358.43	\$1,020.71	\$4,379.14	\$670,666.05
May-11	\$670,666.05	6.00%	\$3,353.33	\$1,025.81	\$4,379.14	\$669,640.24
Jun-11	\$669,640.24	6.00%	\$3,348.20	\$1,030.94	\$4,379.14	\$668,609.30
Jul-11	\$668,609.30	6.00%	\$3,343.05	\$1,036.09	\$4,379.14	\$667,573.21
Aug-11	\$667,573.21	6.00%	\$3,337.87	\$1,041.27	\$4,379.14	\$666,531.93
Sep-11	\$666,531.93	6.00%	\$3,332.66	\$1,046.48	\$4,379.14	\$665,485.45
Oct-11	\$665,485.45	6.00%	\$3,327.43	\$1,051.71	\$4,379.14	\$664,433.74
Nov-11	\$664,433.74	6.00%	\$3,322.17	\$1,056.97	\$4,379.14	\$663,376.77
Dec-11	\$663,376.77	6.00%	\$3,316.88	\$1,062.26	\$4,379.14	\$662,314.51
Jan-12	\$662,314.51	6.00%	\$3,311.57	\$1,067.57	\$4,379.14	\$661,246.95
Feb-12	\$661,246.95	6.00%	\$3,306.23	\$1,072.91	\$4,379.14	\$660,174.04
Mar-12	\$660,174.04	6.00%	\$3,300.87	\$1,078.27	\$4,379.14	\$659,095.77
Apr-12	\$659,095.77	6.00%	\$3,295.48	\$1,083.66	\$4,379.14	\$658,012.11
May-12	\$658,012.11	6.00%	\$3,290.06	\$1,089.08	\$4,379.14	\$656,923.03
Jun-12	\$656,923.03	6.00%	\$3,284.62	\$1,094.52	\$4,379.14	\$655,828.50
Jul-12	\$655,828.50	6.00%	\$3,279.14	\$1,100.00	\$4,379.14	\$654,728.51
Aug-12	\$654,728.51	6.00%	\$3,273.64	\$1,105.50	\$4,379.14	\$653,623.01
Sep-12	\$653,623.01	6.00%	\$3,268.12	\$1,111.02	\$4,379.14	\$652,511.99
Oct-12	\$652,511.99	6.00%	\$3,262.56	\$1,116.58	\$4,379.14	\$651,395.41
Nov-12	\$651,395.41	6.00%	\$3,256.98	\$1,122.16	\$4,379.14	\$650,273.24
Dec-12	\$650,273.24	6.00%	\$3,251.37	\$1,127.77	\$4,379.14	\$649,145.47
Jan-13	\$649,145.47	6.00%	\$3,245.73	\$1,133.41	\$4,379.14	\$648,012.06
Feb-13	\$648,012.06	6.00%	\$3,240.06	\$1,139.08	\$4,379.14	\$646,872.98
Mar-13	\$646,872.98	6.00%	\$3,234.36	\$1,144.78	\$4,379.14	\$645,728.20
Apr-13	\$645,728.20	6.00%	\$3,228.64	\$1,150.50	\$4,379.14	\$644,577.70
May-13	\$644,577.70	6.00%	\$3,222.89	\$1,156.25	\$4,379.14	\$643,421.45
Jun-13	\$643,421.45	6.00%	\$3,217.11	\$1,162.03	\$4,379.14	\$642,259.42
Jul-13	\$642,259.42	6.00%	\$3,211.30	\$1,167.84	\$4,379.14	\$641,091.57
Aug-13	\$641,091.57	6.00%	\$3,205.46	\$1,173.68	\$4,379.14	\$639,917.89
Sep-13	\$639,917.89	6.00%	\$3,199.59	\$1,179.55	\$4,379.14	\$638,738.34

Oct-13	\$638,738.34	6.00%	\$3,193.69	\$1,185.45	\$4,379.14	\$637,552.89
Nov-13	\$637,552.89	6.00%	\$3,187.76	\$1,191.38	\$4,379.14	\$636,361.52
Dec-13	\$636,361.52	6.00%	\$3,181.81	\$1,197.33	\$4,379.14	\$635,164.19
Jan-14	\$635,164.19	6.00%	\$3,175.82	\$1,203.32	\$4,379.14	\$633,960.87
Feb-14	\$633,960.87	6.00%	\$3,169.80	\$1,209.34	\$4,379.14	\$632,751.53
Mar-14	\$632,751.53	6.00%	\$3,163.76	\$1,215.38	\$4,379.14	\$631,536.15
Apr-14	\$631,536.15	6.00%	\$3,157.68	\$1,221.46	\$4,379.14	\$630,314.69
May-14	\$630,314.69	6.00%	\$3,151.57	\$1,227.57	\$4,379.14	\$629,087.12
Jun-14	\$629,087.12	6.00%	\$3,145.44	\$1,233.70	\$4,379.14	\$627,853.42
Jul-14	\$627,853.42	6.00%	\$3,139.27	\$1,239.87	\$4,379.14	\$626,613.55
Aug-14	\$626,613.55	6.00%	\$3,133.07	\$1,246.07	\$4,379.14	\$625,367.47
Sep-14	\$625,367.47	6.00%	\$3,126.84	\$1,252.30	\$4,379.14	\$624,115.17
Oct-14	\$624,115.17	6.00%	\$3,120.58	\$1,258.56	\$4,379.14	\$622,856.61
Nov-14	\$622,856.61	6.00%	\$3,114.28	\$1,264.86	\$4,379.14	\$621,591.75
Dec-14	\$621,591.75	6.00%	\$3,107.96	\$1,271.18	\$4,379.14	\$620,320.57
Jan-15	\$620,320.57	6.00%	\$3,101.60	\$1,277.54	\$4,379.14	\$619,043.03
Feb-15	\$619,043.03	6.00%	\$3,095.22	\$1,283.92	\$4,379.14	\$617,759.11
Mar-15	\$617,759.11	6.00%	\$3,088.80	\$1,290.34	\$4,379.14	\$616,468.76
May-15	\$616,468.76	6.00%	\$3,082.34	\$1,296.80	\$4,379.14	\$615,171.97
Jun-15	\$615,171.97	6.00%	\$3,075.86	\$1,303.28	\$4,379.14	\$613,868.69
Jul-15	\$613,868.69	6.00%	\$3,069.34	\$1,309.80	\$4,379.14	\$612,558.89
Aug-15	\$612,558.89	6.00%	\$3,062.79	\$1,316.35	\$4,379.14	\$611,242.54
Sep-15	\$611,242.54	6.00%	\$3,056.21	\$1,322.93	\$4,379.14	\$609,919.62

\$338,303.15

Figure B
Cavallo Creek Farm Logo



Figure C
Cavallo Creek Farm Phone Book Insert

CAVALLO CREEK FARM
FULL CARE HORSE BOARDING
All Disciplines/Levels Welcome
70+ Acres of Riding * Trails
Indoor/Outdoor Arenas * Lessons
8415 E. St. Road 205 Churubusco ... 693-9895

Figure D
Cavallo Creek Farm Business Card

Megan Doyle
Horse Boarding, Training, Breeding, & Sales

8415 E. State Rd 205
Churubusco, In 46723
P.O. Box 37, Leo, IN 46765
(260) 693 - 9895
Fax: (260) 627-8136
CavalloCreek@aol.com
<http://www.CavalloCreekFarm.com>

*Cavallo
Creek
Farm*



Price List

Monthly Boarding All-Day Turnout \$350.00/mo.
All Day Turn In/Out, hay, grain, water, stall cleaning

Monthly Boarding Half Day Turnout \$400.00/mo.
Half Day Turn In/Out, add. hay & water, grain, stall cleaning

Monthly Boarding Specific/No Turnout \$450.00/mo.
Specific Turnout, add. hay & water, grain, stall cleaning 2x

5% off Total for 3 or more horses -- 5% Late Fee on Invoice payments over 10 days past due.

Training Rides	\$20.00/ride
Schooling for Shows	\$50.00/day/person
Private Lesson Boarder	\$40.00/hour
Digital Videography for Private Lesson	Coming soon
Semi-Private Lesson (2-3 people) Boarder	\$25.00/hour
Group Lesson (4+ people) Boarder	\$20.00/hour
Private Lesson Non-Boarder	\$45.00/hour
Semi-Private Lesson Non-Boarder	\$30.00/hour
Group Lesson Non-Boarder	\$25.00/hour
Grooming (Brushed, Feet Picked)	\$8.00/groom
Grooming & Tack-up	\$10.00/each
Grooming & Untack	\$10.00/each
Basic Clipping (eyes, ears, nose, legs)	\$20.00/clip set
<i>Assuming No Sedation Required</i>	
Body Clipping ~ Assuming No Sedation Required	\$140.00/clipping
Mane Pulling	\$50.00/mane
Hotwired Stall	\$20.00 one time + \$2.00/day
Trailerling ~ By Appointment Only	\$20.00/hour + \$0.50/mile
Guided Trail Ride ~ By Appointment Only	\$30.00/hr/person
<i>1/2 hr Tack-up, 1 hour ride, 1/2 hour untack ~ 2 person min.</i>	

Fees for Trailer-In's

(Prices are Per Horse and are by Appointment Only)

Trail Fees (Trail Only)	\$15.00/day-8 hrs
	\$10.00/half day-4 hrs
Arena Fees (Indoor/Outdoor Arena)	\$10.00/hr
Daily Boarding	\$15.00/horse/day
Overnight Camping	Coming Soon!

*Prices Subject to Change without Notice
 Revised 4/7/2007*



Cavallo Creek Farm, LLC

8415 E. SR. 205, Churubusco, IN
 P.O. Box 37, Leo, IN 46765

Phone: 260-693-9895
 Fax: 260-627-8220
 Website: <http://www.CavalloCreekFarm.com>
 E-mail: CavalloCreek@aol.com



*Conveniently Located near
 Allen, Noble, and Whitley Counties*

~ All Disciplines Welcome ~



Property Characteristics:

- *Located on 84 Acres*
- *Including 20 Acres of Woods*
- *Over 4 miles of Groomed Trails*
- *Indoor Arena w/ Heated Viewing Room*
- *Outdoor Arena*
- *24 Stalls with Rubber Mats*
- *Heated Wash Racks with Hot and Cold Water*
- *Tackrooms*
- *Small Group Turnout*
- *And many more specialty services...*



Cavallo Creek Farm always has several horses for sale. We offer horses in a variety of disciplines, each with a varying degree of ability and level of training completed. We pride ourselves on offering quality horses at a reasonable price.

Feel free to stop out and visit Us.



We are continually changing and growing as a company. Cavallo Creek Farm has many projects planned for the upcoming years and we look forward to you joining us.

Cavallo Creek Farm is located on Indiana State Road 205, approximately 5 miles northeast of Churubusco, Indiana. Conveniently located in northwest Allen County, we are easily accessed from Interstate 69, Indiana State Road 30, Indiana State Road 3, and Indiana State Road 33. We offer various types of board and specialty services.

Our Business Hours are:

Monday Thru Saturday 8am to 5pm

Sunday 12pm to 5pm



Cavallo Creek Farm Front Road Sign



Price List

Cavallo Creek Farms, LLC

(260)693-9895

Monthly Board All-Day Turnout \$350.00 per.mth
All day-Daily Turn in/out: hay, grain, water 2 x daily; stall
Cleaned min. 1 x daily

Board Half Day Turnout \$400.00 per.mth
Half day-Daily Turn in/out; hay, water 3 x daily; grain 2 x
Daily; stall cleaned min. 1 x daily

Monthly Board Specific/No Turn Turnout \$450.00 per.mth
-No Turn out; hay, water 3 x daily; grain 2 x daily; stall
Cleaned min. 1 x daily

5% off Total for 3 or more horses~5% Late fee on invoice pmts over 10 days past due

<i>Training Rides</i>	<i>\$20.00 A ride</i>
<i>Schooling for Shows</i>	<i>\$50.00/day/person</i>
<i>Private Lesson Boarder</i>	<i>\$40.00/hour</i>
<i>Digital Videography for Private Lesson</i>	<i>Coming Soon</i>
<i>Semi-Private (2-3 people) Boarder</i>	<i>\$25.00/hour</i>
<i>Group Lesson (4+ people) Boarder</i>	<i>\$20.00</i>
<i>Private Lesson Non-Boarder</i>	<i>\$45.00/hour</i>
<i>Semi-Private (2-3 people) Non Boarder</i>	<i>\$30.00/hour</i>
<i>Group Lesson (4+ people) Non Boarder</i>	<i>\$25.00/hour</i>
<i>Grooming (Brushed, feet picked)</i>	<i>\$8.00/groom</i>
<i>Grooming & Tack up (Brushed, feet picked, tacked up)</i>	<i>\$10.00/each</i>
<i>Grooming & Untack (Brushed, feet picked, untacked)</i>	<i>\$10.00/each</i>
<i>Basic Clipping (Ears, legs, nose, eyes) assuming no sedation</i>	<i>\$20.00/each</i>
<i>Mane Pulling</i>	<i>\$50.00/per Mane</i>
<i>Hotwired Stall (\$20.00 one time fee + \$2.00/day)</i>	<i>\$2.00 day</i>
<i>Body Clipping (Priced assuming no sedation necessary)</i>	<i>\$140.00 per horse</i>
<i>Trailering ~ By Appointment Only</i>	<i>\$20.00/hr + \$.50/mile</i>
<i>Guided Trail Ride (1/2 hr Tack up, 1 hr Trail ride, 1/2 hr</i>	<i>\$30.00 hr per person</i>
<i>Clean- up) 2 person minimum ~Appointment Only</i>	

Fees for Trailer-In's

<i>Trail Fees (Trail only)~By Appointment Only ~</i>	<i>\$15.00 full day-8 hrs</i>
<i>Prices are per horse</i>	<i>\$10.00 Half day-4 hrs</i>
<i>Arena Fees (Indoor/Outdoor Arena) ~ by Appointment Only</i>	<i>\$10.00 hr per horse</i>
<i>Daily Boarding</i>	<i>\$15.00 per horse</i>
<i>Overnight Camping ~</i>	<i>COMING SOON</i>

*Cavallo Creek Farm Invoice***CAVALLO CREEK FARMS, LLC**

P.O. BOX 37, LEO, IN 46765

◆◆◆ **INVOICE****TO:****SHIP TO:**

INVOICE NO.	INVOICE DATE	DATE SHIPPED	SHIPPED VIA	FOB
P.O. NUMBER	PREPAID/COLL.	SALESPERSON	TAX EXEMPT?	EXEMPTION NO.

TERMS: NET DUE UPON RECEIPT

QTY	ITEM NO.	DESCRIPTION	PRICE	TOTAL
PLEASE MAKE CHECKS PAYABLE TO:			SUBTOTAL	
CAVALLO CREEK FARMS, LLC			TAX RATE	
P.O. BOX 37			SHIPPING AND HANDLING	
LEO, IN 46765			Rush order or other expense	
			TOTAL	

Figure I **Cavallo Creek Farm Fencing**

Black: Existing Fence

Green: Phase 1: 745 ft: Approx. 65 posts: 3 add'l gates

Blue: Phase 2: 975 ft: Approx. 85 posts: 3 add'l gates

Pink: Phase 3+: To be Determined at a Later Date

Red: Gates

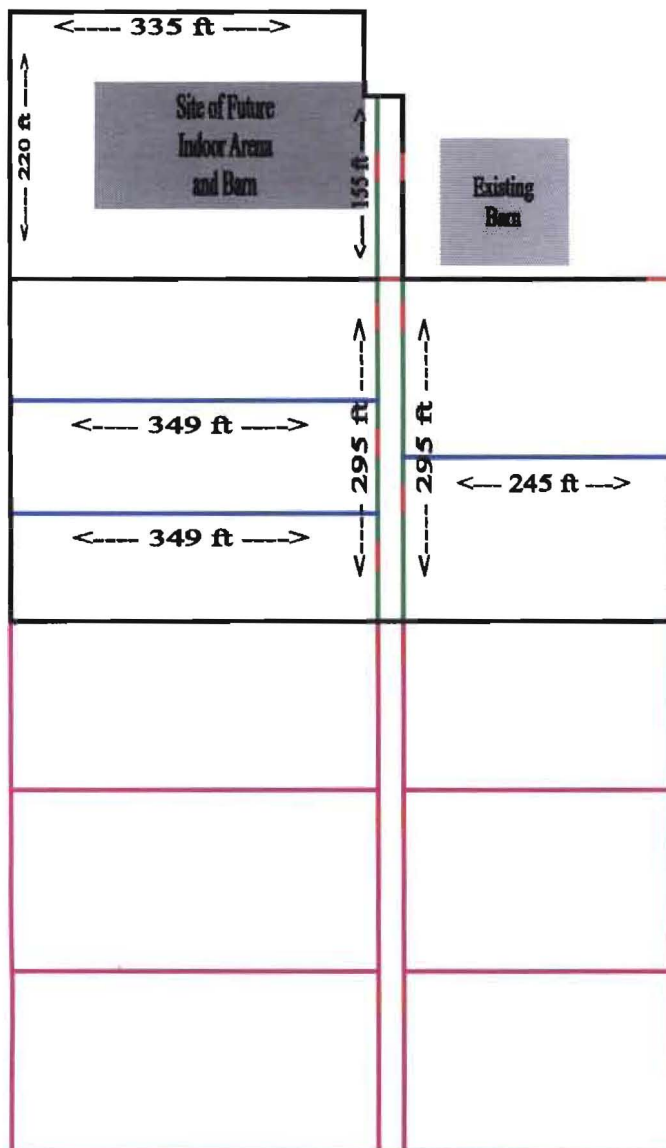


Figure J.1
Cavallo Creek Farm Hunter-Jumper Obstacles

Practice Standard Type 1



Figure J.2
Cavallo Creek Farm Hunter-Jumper Obstacles

Practice Standard Type 2

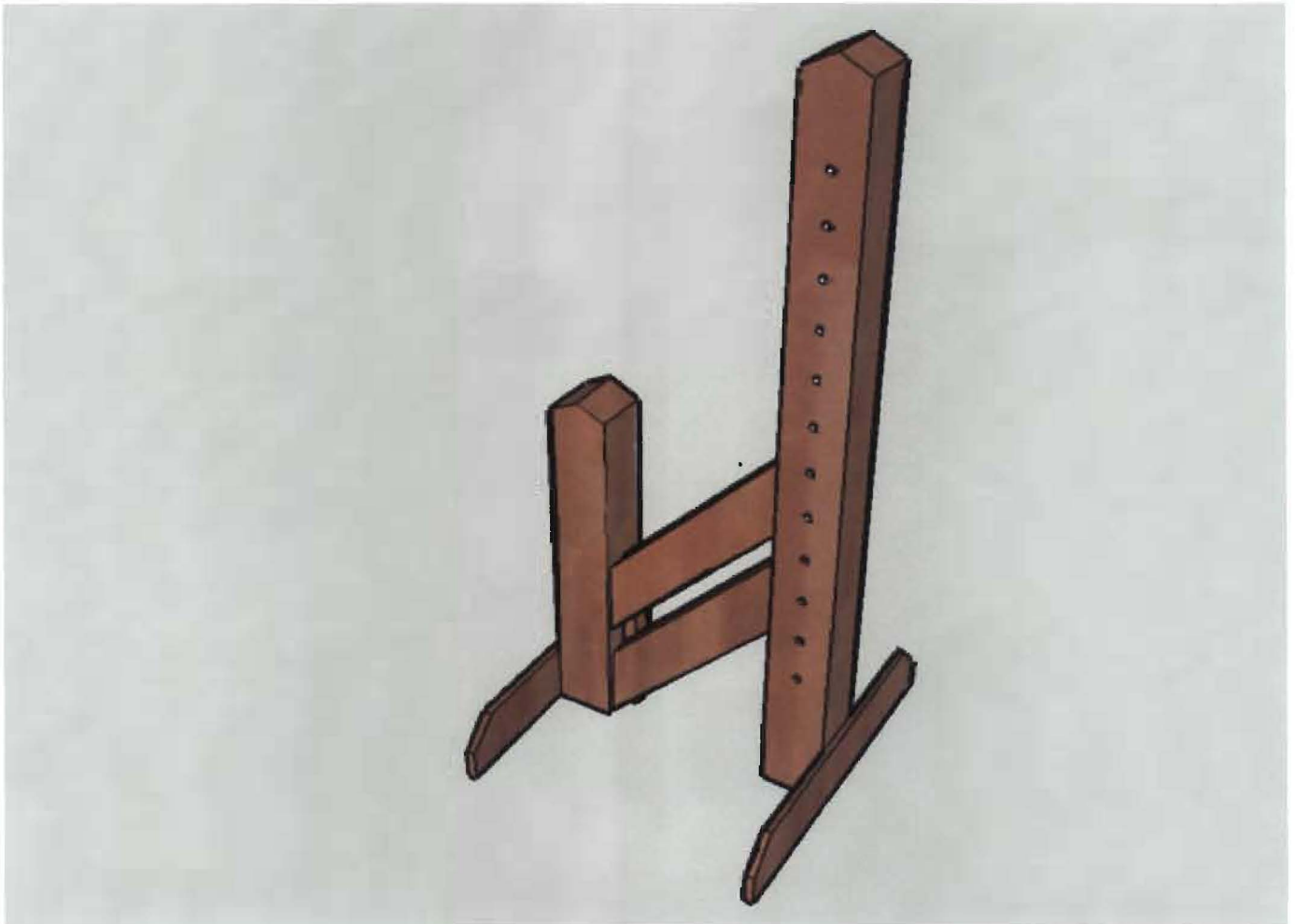


Figure J.3
Cavallo Creek Farm Hunter-Jumper Obstacles

Show Standard Type 1

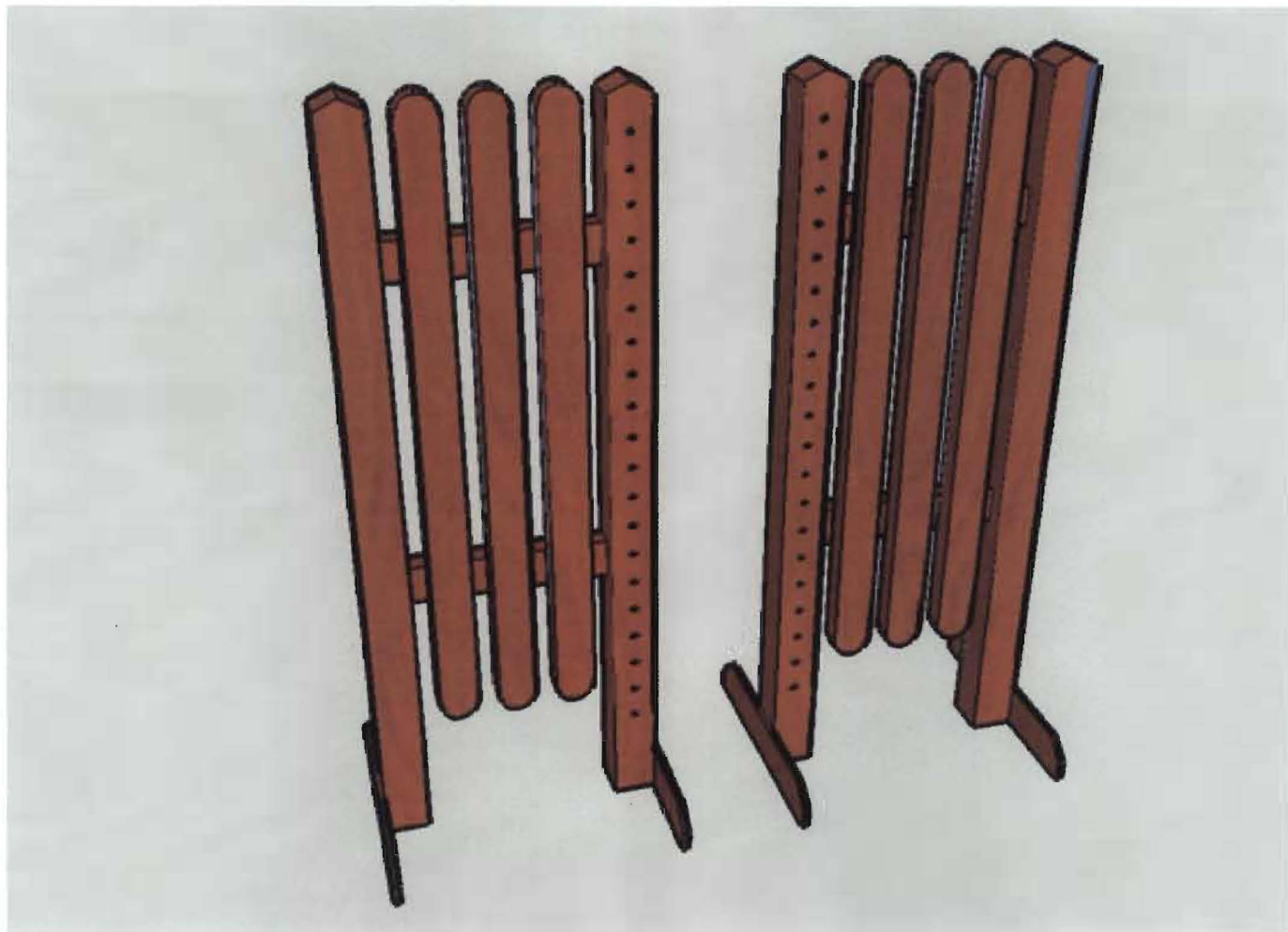


Figure J.4
Cavallo Creek Farm Hunter-Jumper Obstacles

Show Standard Type 2



Figure J.5
Cavallo Creek Farm Hunter-Jumper Obstacles

Flower Box Jump

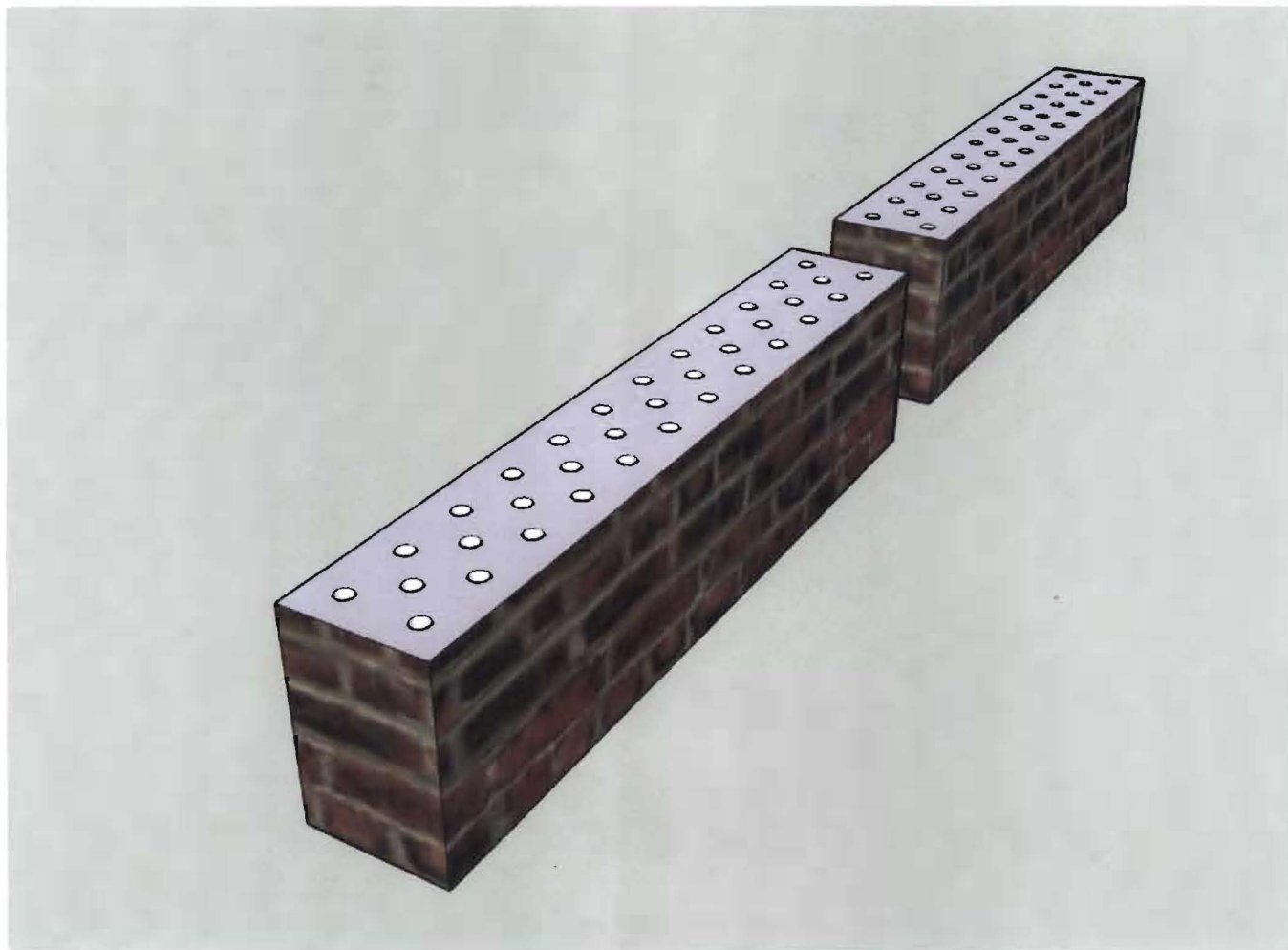


Figure J.6
Cavallo Creek Farm Hunter-Jumper Obstacles

Stone Box Jump

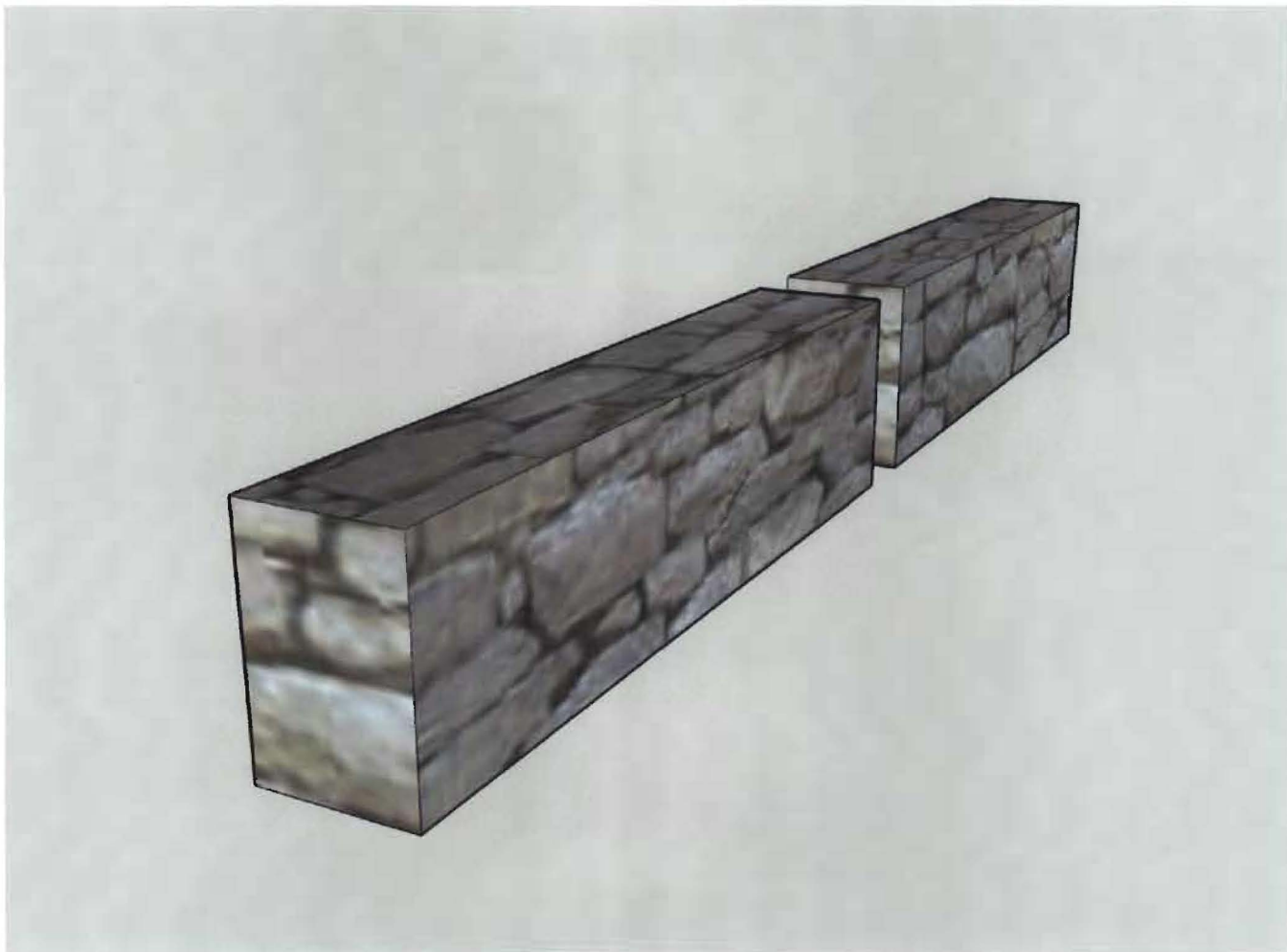


Figure J.7
Cavallo Creek Farm Hunter-Jumper Obstacles

Brick Wall Jump

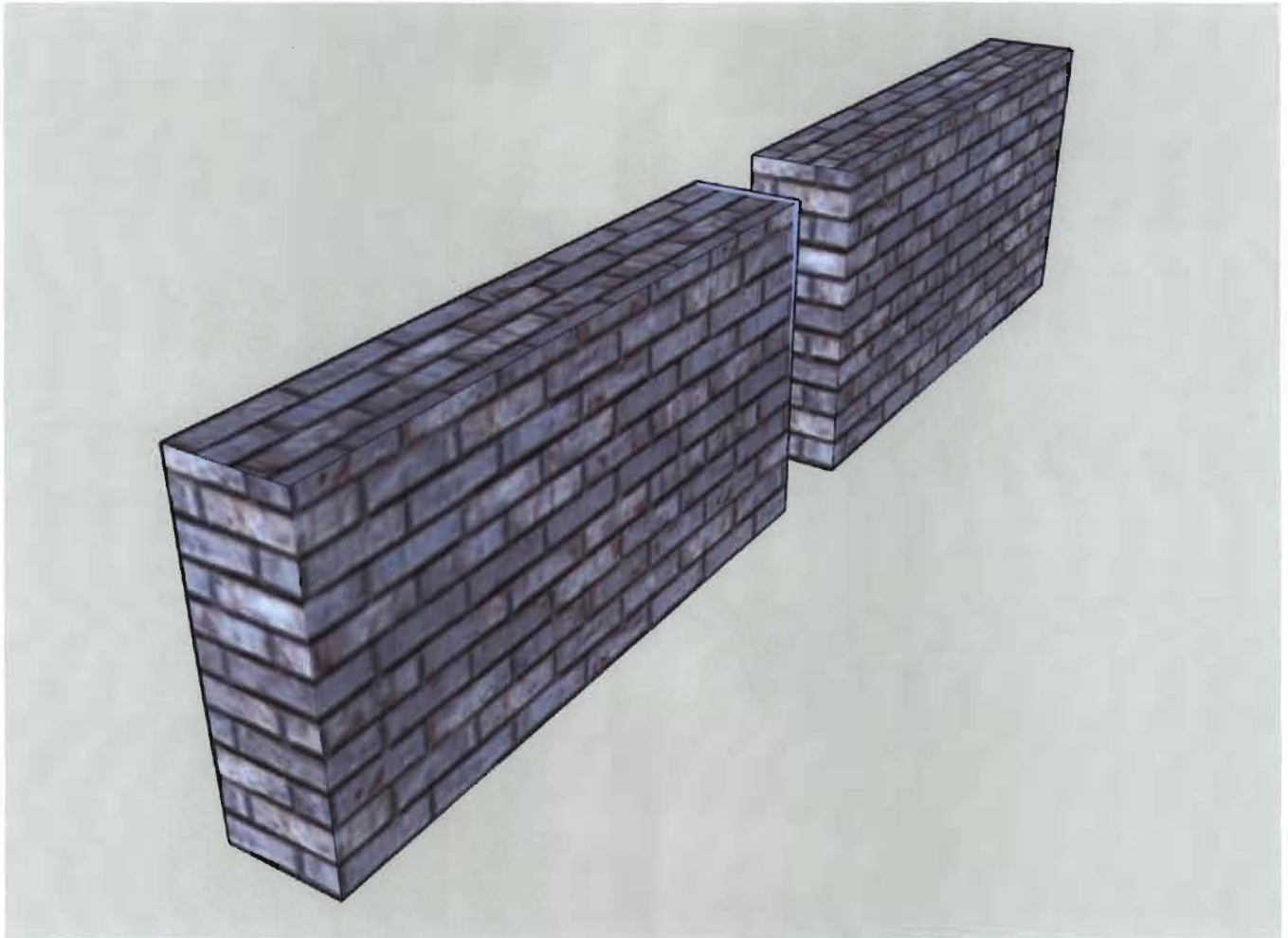


Figure J.8
Cavallo Creek Farm Hunter-Jumper Obstacles

Roll Top (Coup) Jump

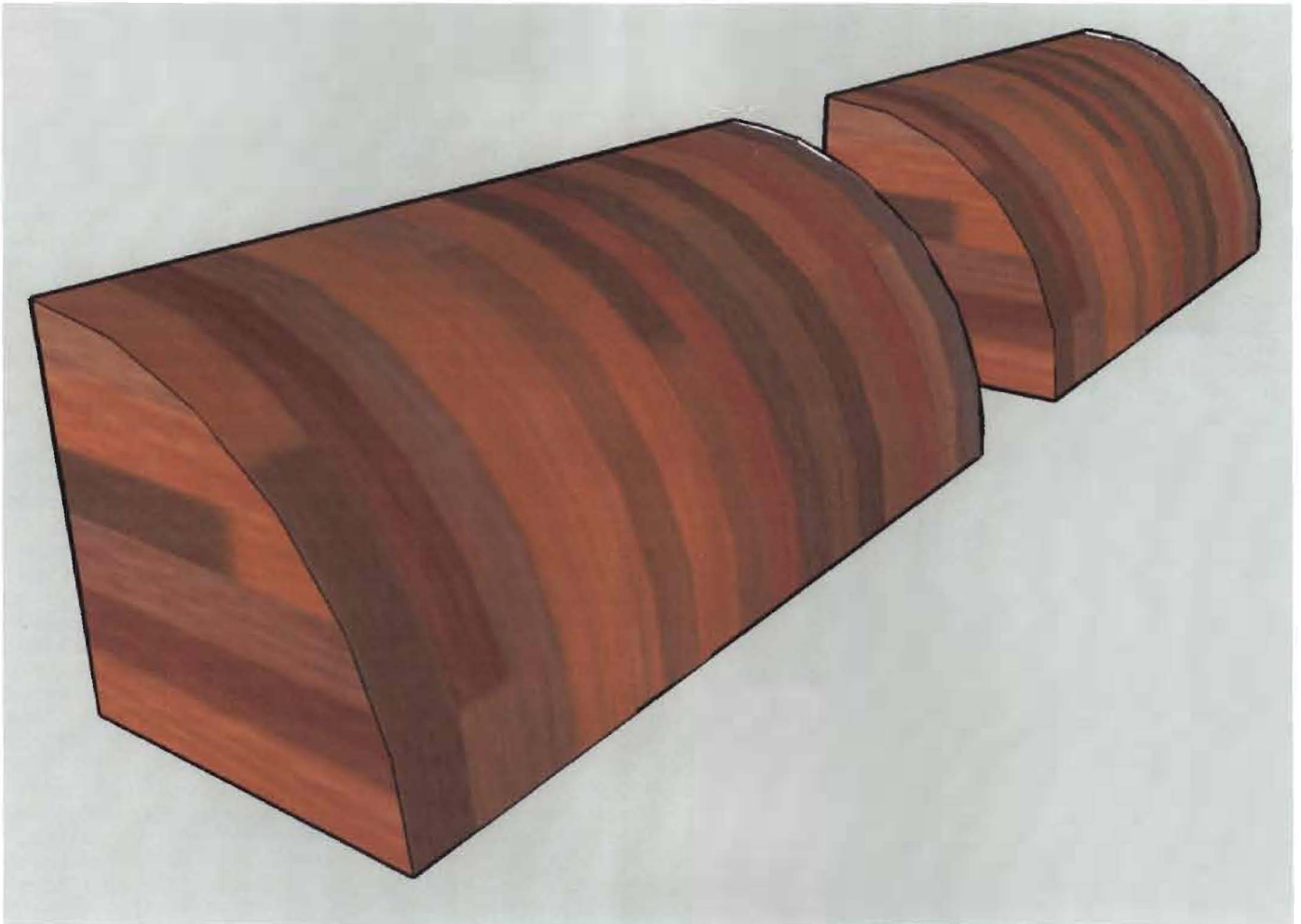


Figure J.9
Cavallo Creek Farm Hunter-Jumper Obstacles

Gate Jump



Figure J.10
Cavallo Creek Farm Hunter-Jumper Obstacles

Jump Planks

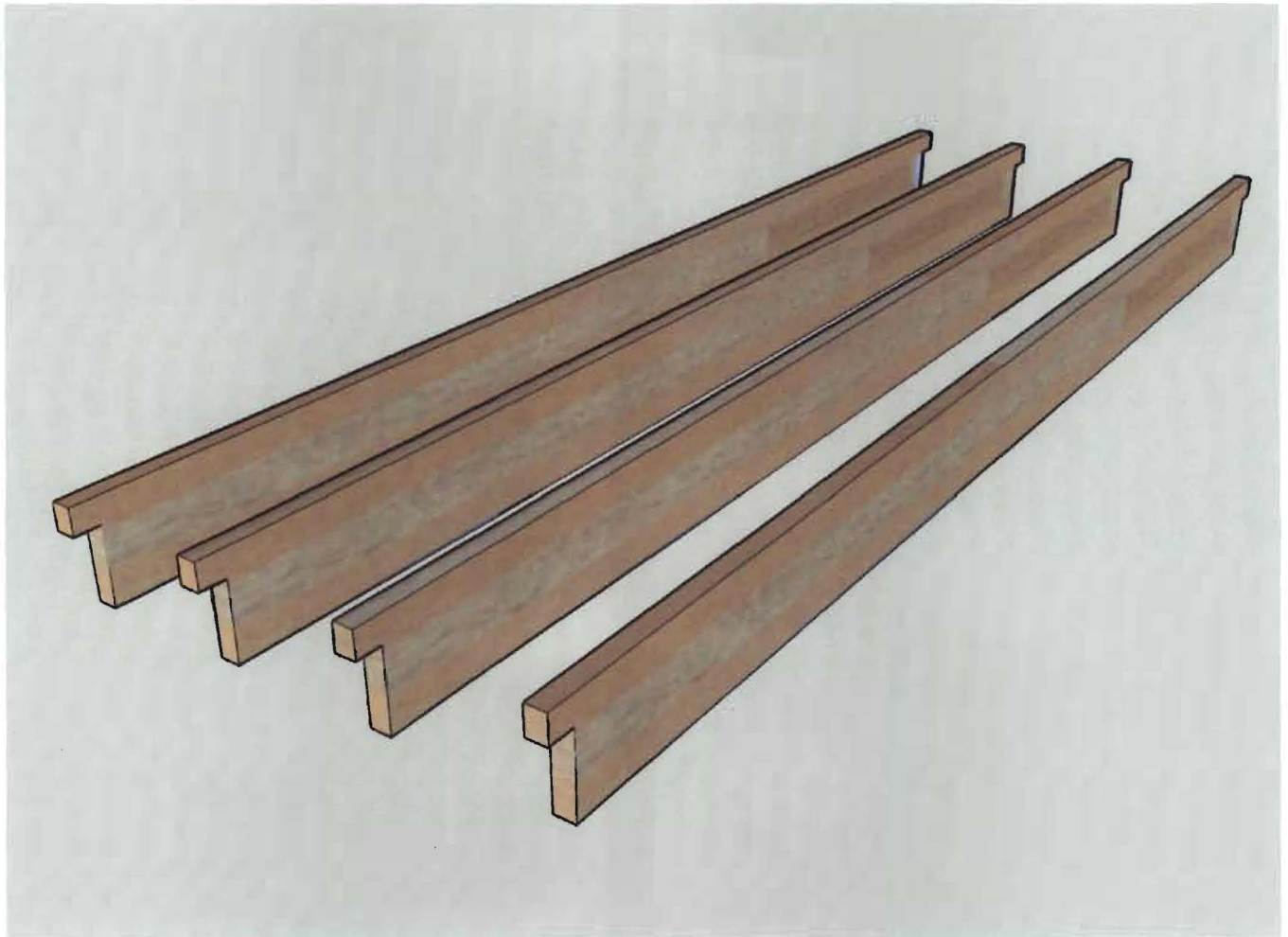


Figure K**Cavallo Creek Farm Purchase and Trial Agreement****Cavallo Creek Farms, LLC**

P.O. Box 37
 Leo, Indiana 46765

Purchase and Trial Agreement**Warning:**

Under Indiana law, an equine professional is not liable for an injury to, or the death of, a participant in equine activities resulting from the inherent risks of equine activities.

THIS AGREEMENT is made between _____, residing at _____, hereinafter referred to as "SELLER", and _____, residing at _____, herein after referred to as "BUYER";

This agreement is entered into between BUYER and SELLER for the trial period and purchase on the horse described below on the following terms and conditions:

Name: _____
 Age: _____
 Height: _____
 Color: _____
 Breed: _____
 Sex: _____
 Registration: _____

I. SALE PRICE

For the full purchase/sale price of _____, SELLER agrees to sell BUYER the horse described in this agreement pending the trial period as described below, and BUYER agrees to the terms set forth in this agreement.

2. PAYMENT TERMS

A 10% deposit in the amount of \$_____ is due prior to the trial period. An additional deposit in the amount of \$_____ shall be paid on or before the horse leaves SELLER's property, by postal money order, cashier's check, or other certified funds. The balance of \$_____ shall be paid by postal money order, cashier's check, or other certified funds for the full purchase price of \$_____, on or before _____.

Page I of 4

3. SECURITY

To secure the payments and duties of this obligation, SELLER retains a security interest in the horse. Should BUYER default in any terms of this Agreement, SELLER may foreclose on his security interest in any manner provided by law.

4. TRIAL PERIOD

BUYER has a trial period of _____ days commencing on _____, and ending _____. While under the trial period, BUYER agrees to the following conditions.

- a. BUYER agrees to be financially responsible for transportation of the horse from SELLER'S stable to and from BUYER'S stable.
- b. BUYER agrees to keep said horse in good health, and free from disease by providing adequate feed, shelter, veterinary and blacksmith care in accordance with accepted industry standards.
- c. BUYER agrees to keep said horse free from all liens and encumbrances and to pay any and all expenses levied against the said horse when due.
- d. BUYER is required to obtain and maintain mortality, major medical and loss-of-use insurance for the full purchase amount to be in effect before hauling the horse out for trial and kept in effect until horse is paid in full and full bill of sale is recovered, with SELLER named as additional insured on the insurance policy.
- e. BUYER is required to pay for the horse in the agreed upon manner or return the horse if the horse does not prove suitable for the intended purpose. BUYER agrees that if said horse should get injured or become lame during the trial period, it is the BUYER'S responsibility to return the horse in the same condition as when delivered. BUYER is responsible for the full purchase price in the event of horse becoming lame, injured or dead during the trial period or any time while payments are being made. BUYER is responsible for initiating and following up on all insurance claims. BUYER is responsible for making all payments on time regardless of when insurance claim payment is received.

5. VETERINARY PRE-PURCHASE EXAM

BUYER may order pre-purchase veterinary exam to be conducted at BUYER's expense, during the trial period. BUYER agrees to either pay for the horse in the agreed upon manner or to return the horse if the vet exam is not satisfactory.

6. WARRANTIES

SELLER makes no warranties expressed or implied, including the warranties of fitness for any particular purpose other than having clear title to said horse. BUYER is to determine fitness for BUYER's requirements during the trial period and shall determine physical fitness by veterinary pre-purchase exam.

7. OWNERSHIP TRANSFER

Upon payment in-full, SELLER agrees to execute a BILL OF SALE to transfer ownership to BUYER, after all funds have cleared SELLER's bank. These documents shall be mailed via the US Postal Service to BUYER's residence upon verification of funds clearing SELLER'S bank.

8. RISK OF LOSS

Effective the moment the horse leaves SELLER's barn, BUYER shall assume all expenses that are not covered by SELLER's Mortality, Major Medical and Loss of Use Insurance, related to any accident, illness, or other peril that may occur including death or permanent disability of horse. This RISK OF LOSS continues until horse is returned to SELLER's stable or payment is made in-full to purchase the horse.

9. LIABILITY

Effective the moment the horse leaves SELLER's barn, BUYER assumes full liability and agrees to indemnify and hold SELLER, SELLER's AGENT and any other parties related to this sale, harmless from any damage or injury to any animal, person or property caused to or by said horse including death to person, animal or destruction of property.

10. LAW

The terms of this Agreement and disputes developing thereunder shall be enforced and construed in accordance with the laws of the State of Indiana.

11. DEFAULT

Upon default of payment by BUYER, SELLER shall repossess said horse and terminate this Agreement for Cause. BUYER shall further remain liable for damages caused to SELLER by breach of this Agreement. BUYER shall FORFEIT any moneys paid prior to termination of this Agreement under default of payment, and BUYER shall further remain liable for damages incurred by SELLER resulting from BUYER'S breach of this Agreement.. Default of payment is defined as any payment not paid within 10 days of due date. In the event of a breach of this Agreement by BUYER, SELLER shall have the additional right to recover from the BUYER all reasonable attorney's fees and costs of collection incurred by SELLER

12. RULE OF CONSTRUCTION NOT APPLICABLE

The judicial rule of construction requiring or allowing a document to be construed to the detriment or against the interest of the documents drafter shall not apply to this document. Furthermore, the undersigned has had the opportunity to have this document reviewed by independent counsel before signing it.

13. JURISDICTION AND VENUE

In the event of any dispute between BUYER and SELLER relating to this Agreement, the dispute shall be subject to the exclusive jurisdiction of the Allen Superior Court of Allen County, Indiana..

Executed at Churubusco, Indiana this _____ day of _____, 20__.

BUYER:

SELLER:

Printed Name

Printed Name

Signature

Signature

Address _____

Address _____

BUYER's Day Number: _____

SELLER's Day Number: _____

BUYER's Night Number: _____

SELLER's Night Number: _____

Email Address: _____

Email Address: _____

Figure L

Cavallo Creek Farm Property Rules, Regulations, and Guidelines

Cavallo Creek Farms, LLC

P.O. Box 37
Leo, Indiana 46765

Property Rules, Regulations, and Guidelines

Warning:

Under Indiana law, an equine professional is not liable for an injury to, or the death of, a participant in equine activities resulting from the inherent risks of equine activities.

1. Cavallo Creek Farms, LLC is open from Sunday to Saturday ____ am to ____ pm only.
2. If you turned on a light, turn it off when you are finished using that area. If someone else is in the area, be sure to ask them if they need the light and politely ask them to turn it off when they are finished.
3. You must provide a halter and lead rope of good and operating condition. If you would like your horse to have a blanket in the winter or a fly sheet in the summer, please make these arrangements with the management.
4. If you used a hose, or water, coil up all hoses and turn off the water when you are finished.
5. Clean out all buckets, sponges, or any other piece of common area equipment when you are finished.
6. Shut ALL gates behind you!!
7. No smoking on the Cavallo Creek Farms, LLC property.
8. No drinking of alcoholic beverages allowed on the property associated with stables.
9. Keep the aisle clean of tack, brushes, halters, hoof pickings and/or manure if you or your horse put it there, pick it up!
10. Put away all tack, equipment, etc properly after use.
11. All vehicles must be parked in the parking designated areas.
12. Please assist all visitors in obtaining/signing a hold-harmless and release of liability form before allowing them access to any horse on the premises.
13. No visitors are allowed in the stalls, pastures, arenas, or other areas occupied by horses prior to signing necessary Cavallo Creek Farms, LLC release forms.
14. No visitors are allowed in the pasture. Boarders may enter the pasture to retrieve ONLY the owners equine. No boarder may enter the pasture where a stallion is turned out.
15. Owners may not handle any equine other than their own or an animal they have leased without having written permission from the said equine's owner on file with Cavallo Creek Farms, LLC.
16. Do not feed your equine. If you believe your equine needs its rations increased, please notify the stable. Feeding your equine outside of the habitual feeding period can cause colic on your equine as well as in those equines around yours which are not being fed at the same time.
17. Do not give treats to any equine other than your own unless written permission is on file with the stable. Some equines may have stomach problems associated with some treats.
18. Do not ride without safety equipment. The stable will not be held responsible for any injury, accident and/or death occurring because you failed to use the proper safety equipment.

19. Minors may not ride without long pants, boots with a heel, and/or a certified safety helmet. All riders are encouraged to take these safety measures.
20. Do not ride on properties not designated as allowed riding areas. The stable will not be held responsible for any injury, personal/property damage, accident and/or death occurring because you failed to stay on proper trails, fields or roads. The stable will not be responsible for any fines and/or jail terms for trespassing on posted or non-posted properties.
21. Always mount and dismount outside, unless you are riding in the indoor arena, being mounted in the barn aisles is strictly prohibited!
22. No running or yelling in the barn or within the Cavallo Creek Farms, LLC horse occupied areas, especially when horses are present. The stable cannot be responsible for any injury, accident and/or death associated with scaring or spooking an equine due to inappropriate behavior or misbehavior.
23. No bicycles or motorized vehicles outside the designated parking area.
24. Do not tie your horse with your reins. All horses are to be tied in the aisles with the cross ties while wearing a serviceable halter. The stable will not be responsible for any injury, accident and/or death associated with tying your horse with the reins, or bailing twine or any other inappropriate equipment.
25. More importantly, be aware of the well-being of all the horses on the premises. Alert the management in the event you notice any emergency or unusual behavior/activity with any horse.
26. Always check your tack before riding. The stable will not be responsible for the quality or repair of your tack and will not be held responsible for any injury, accident and/or death associated with using tack in ill repair.
27. All injuries, accidents and damages must be immediately brought to our attention. Any unreported incidents will be the responsibility of the boarder or leasor.
28. If at any time you are displeased with another boarder, student, instructor, or member of management (or policy), please speak immediately and directly to management in order to follow proper grievance procedure.
29. PETS, not including horses, ARE NOT ALLOWED ON THE PREMISES.

I agree, understand, and have read all the rules and regulations designed to keep Cavallo Creek Farms, LLC and safe and happy facility.

Signature

Date

Figure M
Cavallo Creek Farm Boarding Contract

Cavallo Creek Farms, LLC

P.O. Box 37
 Leo, Indiana 46765

Boarding Contract

Warning:

Under Indiana law, an equine professional is not liable for an injury to, or the death of, a participant in equine activities resulting from the inherent risks of equine activities.

This Agreement is made on this day _____, 20____, between Cavallo Creek Farms, LLC (herein after referred to as "Stable") located at _____ and _____ (herein after referred to as "Owner") residing at _____, owner of the horse(s) described in Section 2.

1. Fees

- (a) In consideration of Three Hundred Fifty Dollars & no/100-----(\$350.00) per equine per month (plus any additions agreed to in Section 2) paid by Owner in advance on the first day of each month, the Stable agrees to board said equine (s) (described in Section _____) beginning _____, 20____.
- (b) All fees must be received by Stable by third day of each month. Boarding fees paid between the forth and tenth day of the current month due will be subject to a late fee of \$20.00. Boarding fees received after the eleventh will be subject to a late fee of \$40.00

2. Description of the Equine(s)

Equine Name	Sex	Breed	Color	Age	Registration #

3. Right to Refuse Board

- (a) Stable reserves the right to refuse the continuation or commencement of board of any horse for any reason, including, but not limited to: equine's (s') poor health or unsoundness; dangerous propensities, habits and/or vices that Stable is not equipped to handle; Owner's (s') refusal to obey stable rules, policies and/or its amendments, or to cooperate with Stable on requests relative to the

management, welfare, and safety of property, animals and/or people on the premises; and also in the event of the discontinuation by Stable of the business of boarding equine. In such event, Stable shall give Owner 14 days written notice to remove boarded animals from the premises. After all fees have been paid in full, this Agreement is concluded.

4. Routine Health Care

For the following health-related matters, unless otherwise stated in this agreement, Cavallo Creek Farms, LLC will use a veterinarian and a farrier chosen by Cavallo Creek Farms, LLC staff.

- (a) Deworming: All equines at Cavallo Creek Farms, LLC including those owned by Cavallo Creek Farms, LLC shall be dewormed between the first and fifteenth of January, April, July, and October each year. Proof of deworming must be on record with Stable by the sixteenth day of each said month. Proof is limited to receipt and/or letter from a certified veterinarian or a letter signed by both the Cavallo Creek Farms, LLC manager and Owner.
- (b) Immunizations: All equines at Cavallo Creek Farms, LLC including those owned by Cavallo Creek Farms, LLC must be immunized between March 15 and April 30 each year for eastern and western encephalomyelitis, tetanus, influenza (IN), rhinopneumonitis (IM), rabies and West Nile Virus. Between September 15 and October 31 each year each equine must receive an influenza booster, rhinopneumonitis, and West Nile virus booster. Immunizations must be done by a certified veterinarian. Proof of immunizations must be on record with Stable by May 1 and November 1 respectively. Proof is limited to receipt and/or letter from a certified veterinarian.
- (c) Coggins: All equines at Cavallo Creek Farms, LLC including those owned by Cavallo Creek Farms, LLC must have on record with Cavallo Creek Farms, LLC a current copy of a negative Coggins test.
- (d) If the Owner fails to provide proof of deworming, immunizations and/or negative Coggins test, Cavallo Creek Farms, LLC reserves the right to use a veterinarian chosen by Cavallo Creek Farms, LLC staff to perform the necessary health care. The Owner will be responsible for paying Cavallo Creek Farms, LLC all costs incurred.
- (e) It is understood that training, lessons, shoeing, trimming, veterinarian services, hauling, and other miscellaneous expenses will be the responsibility of the Owner.

5. Illness or Injury

- (a) Cavallo Creek Farms, LLC agrees to attempt to contact Owner by telephone in case of any emergency involving Owner's equine(s). If Cavallo Creek Farms, LLC is unable to contact the Owner, Cavallo Creek Farms, LLC will attempt to communicate by telephone with an emergency contact person to be provided by the Owner.
- (b) Limitations to emergency care: In the event of an emergency where Owner and emergency contact person cannot be reached, the Owner would like Cavallo Creek Farms to:

remove, handle, ride, or drive the animal, and shall sign all documents necessary to partake in equine activities at Cavallo Creek Farms, LLC.

7. Owner Acceptance of Responsibility

- (a) Owner has inspected Cavallo Creek Farms, LLC premises and/or has in some other way satisfied himself/herself that the conditions of the premises and the facilities will provide an adequate and reasonable level of safety for Owner's horse(s) and Owner, Owner's family, guests, and visitors who enter these premises. Owner further agrees to be legally responsible for any and all damages, injuries, loss of life caused by or to the horse while in the control of the Owner, Owner's family members, invitees, or other handlers or agents appointed by them, and also for any acts of the horse caused by vices or dangerous behavior not disclosed to Cavallo Creek Farms, LLC by Owner. Owner agrees to maintain personal liability insurance on the horse, with minimum coverage amounts of \$_____ and to provide Cavallo Creek Farms, LLC with proof of same. Owner is also responsible for accidents, injuries and loss of life sustained by Owner, Owner's family members, invitees and agents caused by or in relation to the Owner's equine(s). Owner agrees to at all times maintain adequate accident/medical insurance to cover Owner and family members.

Personal Liability Insurer _____
Policy # _____

Accident/Medical Insurer _____
Policy # _____

8. Release of Liability and Indemnification and Hold Harmless Provisions

- (a) In consideration of Cavallo Creek Farms, LLC undertaking the board and other related services set forth herein, I, the undersigned Owner, do agree to indemnify and hold harmless and release Cavallo Creek Farms, LLC, Cavallo Creek Farms', LLC owner, agents, employees, directors, representatives, assigns, members, premises owners, affiliated organizations, and insurers and others acting on Cavallo Creek Farms, LLC behalf (hereinafter collectively referred to as "Associates") of all claims, demands, causes of action, and legal liability whether the same be known or unknown, anticipated or unanticipated, due to the negligence of Cavallo Creek Farms, LLC or of any associates, and I do further agree that I shall not bring any claims, demands, legal actions and causes of action, against Cavallo Creek Farms, LLC and Cavallo Creek Farms', LLC Associates as stated above in this clause, for any economic and noneconomic losses due to bodily injury, death, property damage, and injury to the equine(s), and/or sustained by me and/or my minor child or legal ward, in relation to the premises and operations of Cavallo Creek Farms, LLC.

9. Helmet Warning

- (a) Owner agrees they have been fully warned by Cavallo Creek Farms, LLC that all equine handlers, riders, and drivers should purchase and wear protective

headgear which meets or exceeds the quality standards of the SEI Certified ASTM Standard F1163 Equestrian Helmet, while riding, driving, and being near equines and Owner understands that the wearing of such headgear at these times may reduce the severity of some of the wearer's head injuries and possibly prevent the wearer's death from happening as the result of an accident.

- (b) Owner agrees that all minors must wear protective headgear which meets or exceeds the quality standards of the SEI Certified ASTM Standard F1163 Equestrian Helmet, while mounted on any equine.

10. Direct Loss of Personal Property Warning

- (a) Owner is hereby warned that while on Cavallo Creek Farms, LLC premises, direct loss or damage, theft or injury to Owner's equine(s), tack, equipment, and trailer is not the responsibility of Cavallo Creek Farms, LLC, and furthermore is not covered by Cavallo Creek Farms', LLC insurance. The actual Owner, having the financial interest in such items, must carry his or her own personal property insurance under a homeowner's or other insurance policy, or under a separate policy as in the case of the loss of a equine.

11. Scope and Territory

- (a) This agreement shall be legally binding upon Cavallo Creek Farms, LLC and Owner and Owner's parents or legal guardians, should Owner be a minor, when signed by both parties. This agreement is entered into in the State of Indiana and Allen County and will be interpreted and enforced under the laws of the State of Indiana. Any disputes by Owner shall be litigated in and venue shall be the county in which Cavallo Creek Farms, LLC is physically located. If any clause or word is in conflict with State Law then that single part is null and void.

12. *The Owner warrants that Owner owns the equine and that there are no liens against the equine.*

- 13. Either party may terminate this agreement within ten (10) days notice for failure of the other party to meet any material terms of this agreement. In the case of default by the Owner,, Stable have the right to recover its attorneys fees and costs of collection resulting from Owner's default, in addition to any other remedies to which Stable may be entitled.

- 14. This lease agreement is a month-to-month tenancy and either party may terminate it by giving a thirty day written notice.

15. Lien Against Boarded Animal

- (a) Under this agreement, in accordance with Indiana Code 32-33-8-1, Stable shall have a lien against any animal boarded with Stable for the feed and care bestowed by Stable upon such animal, and in the event Owner does not make

timely payment upon Owner's obligations, Stable has the right sell the animal in accordance with IC 32-33-9-1.

16. The judicial rule of construction requiring or allowing a document to be construed to the detriment or against the interest of the documents draft or shall not apply to this document. Furthermore, the undersigned has had the opportunity to have this document reviewed by independent counsel before signing it.

17. The undersigned party acknowledges receipt of a copy of this document for their records.

Signer Statement of Awareness

I/WE THE UNDERSIGNED, HAVE READ AND DO UNDERSTAND THE FOREGOING AGREEMENT, WARNINGS, ASSUMPTION OF RISK AND RELEASE AGREEMENT. I/WE FURTHER ATTEST THAT ALL STATED FACTS ARE TRUE AND ACCURATE.

Executed at Churubusco, Indiana this _____ day of _____, 20__.

Owner:

Stable:

Printed Name

Name and Title

Signature

Signature

Address _____

State Road 205
Churubusco, IN 46

Owner's Day Number: _____

Owner's Night Number: _____

Email Address: _____

Name of emergency contact person:

Day Number: _____

Night Number: _____

Name of Veterinarian: _____

Telephone: _____

Name of Farrier: _____

Telephone: _____

Figure N

Cavallo Creek Farm Hold Harmless Agreement

Cavallo Creek Farms, LLC

P.O. Box 37
Leo, Indiana 46765

Release, Express Assumption of Risk and Hold Harmless Agreement

Warning:

Under Indiana law, an equine professional is not liable for an injury to, or the death of, a participant in equine activities resulting from the inherent risks of equine activities.

1. I, _____, the undersigned, hereby acknowledge that I have voluntarily applied to participate in an activity of horseback riding, or other equine activities, at Cavallo Creek Farms, which is owned and operated by Cavallo Creek Farms, LLC.
2. I understand that equine activities, including horseback riding involve numerous inherent risks of injury that are my responsibility, and I assume these risks. I further understand that an animal, irrespective of its training and usual past behavior and characteristics, may act or react unpredictably at times based upon instinct or fright which is a risk to be assumed by each participant in the riding activity. I further understand the inherent potential dangers that I could incur in interactions with other equines and other riders, including, but not limited to mounting, riding, walking, boarding, and feeding.
3. In consideration of being allowed to participate in the activities and programs of Cavallo Creek Farms, LLC and to use its facilities, equipment, and equines in addition to the payment of any fee or charge, I do hereby release and forever discharge Cavallo Creek Farms, LLC and its members, operators, agents, servants, employees representatives, affiliated parties, and all others from any and all responsibilities or liability for personal injuries (including even death), or property damage resulting from any participation in any activities or my use of equipment or equines arising out of my participation in any activities associated with Cavallo Creek Farms, LLC, including the participation or use of any equipment or equines at an alternative indoor or outdoor site.
4. Further, I do expressly hereby forever release and discharge Cavallo Creek Farms, LLC and its members, operators, agents, servants, employees, representatives, affiliated parties, and all others (hereinafter sometimes collective referred to as "Released Parties") from all claims, demands, personal injuries (including even death) property damage, actions, or causes of action, and from all acts of negligence, including but not limited to active or passive negligence, or negligent omissions on the part of Cavallo Creek Farms, LLC, its members, operators, agents, servants, employees, representatives, affiliated parties, or any of its customers, patrons, visitors, or third parties, including, but not limited to, the failure of anyone to enforce rules and regulations, failure to make inspections, or the negligence of other persons.
5. I hereby agree to indemnify and hold harmless the Released Parties, and each of them, from loss, liability, damages or cost they may incur due to the presence on the premises by the undersigned, the undersigned's horse, or the undersigned's guests and invitees, whether caused by the negligence of the Released Parties or otherwise. I further agree that Cavallo Creek, Farms, LLC shall not be liable for any loss or theft of personal property in and around its premises.

6. The judicial rule of construction requiring or allowing a document to be construed to the detriment or against the interest of the documents draft or shall not apply to this document. Furthermore, the undersigned has had the opportunity to have this document reviewed by independent counsel before signing it.

7. The undersigned party acknowledges receipt of a copy of this document for their records.

8. If this document is being executed by a guardian on behalf of a minor child, guardian positively affirms that he/she has the legal ability to execute this document on behalf of minor, and the guardian agrees to indemnify and hold harmless the Released Parties from any and all loss, liability, damages or costs, including attorney fees, that the Released Parties may incur by reliance upon the guardians' representations.

9. This contract shall be legally binding upon me and my heirs, next of kin, executors, administrators, personal representatives, and assigns. I have carefully read this agreement and by signing below signify that I fully agree with its contents.

This is a release of liability. Do not sign if you do not understand or do not agree with its terms.

Date: _____

Signature

Printed Name

Address _____

Signature by Guardian for a Minor Child (if Child is under the age of 18 years)

Guardian Signature

Guardian Printed Name

Relationship to Minor

Figure O
Cavallo Creek Farm Forms to Sign Checklist

Cavallo Creek Farms, LLC

P.O. Box 37
Leo, Indiana 46765

FORMS TO SIGN CHECKLIST

- 1) FORMS TO SIGN WHEN BOARDING A HORSE:**
 - A. Boarding Contract
 - B. Release, Express Assumption of Risk and Hold Harmless Agreement
 - C. Property Rules, Regulations and Guidelines
- 2) FORMS TO SIGN WHEN TAKING RIDING LESSONS:**
 - A. Release, Express Assumption of Risk and Hold Harmless Agreement
 - B. Property Rules, Regulations and Guidelines
- 3) FORMS TO SIGN WHEN RENTING ARENA:**
 - A. Release, Express Assumption of Risk and Hold Harmless Agreement
 - B. Property Rules, Regulations and Guidelines
- 4) FORMS TO SIGN WHEN RIDING ON TRAILS WITH CAVALLO HORSE:**
 - A. Release, Express Assumption of Risk and Hold Harmless Agreement
 - B. Property Rules, Regulations and Guidelines
- 5) FORMS TO SIGN WHEN RIDING ON TRAILS WITH THEIR OWN HORSE:**
 - A. Release, Express Assumption of Risk and Hold Harmless Agreement
 - B. Property Rules, Regulations and Guidelines
- 6) FORMS TO SIGN WHEN TAKING HORSE ON MULTIPLE DAY TRIAL TO BUY:**
 - A. Purchase and Trial Agreement
 - B. If horse is purchased and paid in full, then Cavallo signs Bill of Sale

Figure P

Health Record

Horse's Name: _____

Owner's Name: _____

Veterinarian: _____

Vaccinations (Circle Vaccinations Received, Highlight if Still Needed)

Year Received
Date Received

Eastern Encephalomyelitis Tetanus Rhinopneumonitis Spring _____

Western Encephalomyelitis	Influenza	Rabies	West Nile Virus						
---------------------------	-----------	--------	-----------------	--	--	--	--	--	--

Influenza Rhinopneumonitis Fall _____

West Nile Virus

Eastern Encephalomyelitis Tetanus Rhinopneumonitis Spring _____

Western Encephalomyelitis Influenza Rabies West Nile Virus

Influenza Rhinopneumonitis Fall _____

West Nile Virus

Eastern Encephalomyelitis Tetanus Rhinopneumonitis Spring _____

Western Encephalomyelitis Influenza Rabies West Nile Virus

Influenza Rhinopneumonitis Fall _____

West Nile Virus

Deworming Date

1. 11. 21. 31.

2. 12. 22. 32.

3. 13. 23. 33.

4. 14. 24. 34.

5. 15. 25. 35.

6. 16. 26. 36.

7. 17. 27. 37.

8. 18. 28. 38.

9. _____ 19. _____ 29. _____ 39. _____

10. 20. 30. 40.

Coggins Test Drawn by:	Date Taken	Date Expires
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